

COUNTY OF LOUDOUN, VIRGINIA COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended June 30, 2005

Prepared by:

Department of Management and Financial Services
Division of Finance and Accounting

COUNTY OF LOUDOUN, VIRGINIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2005

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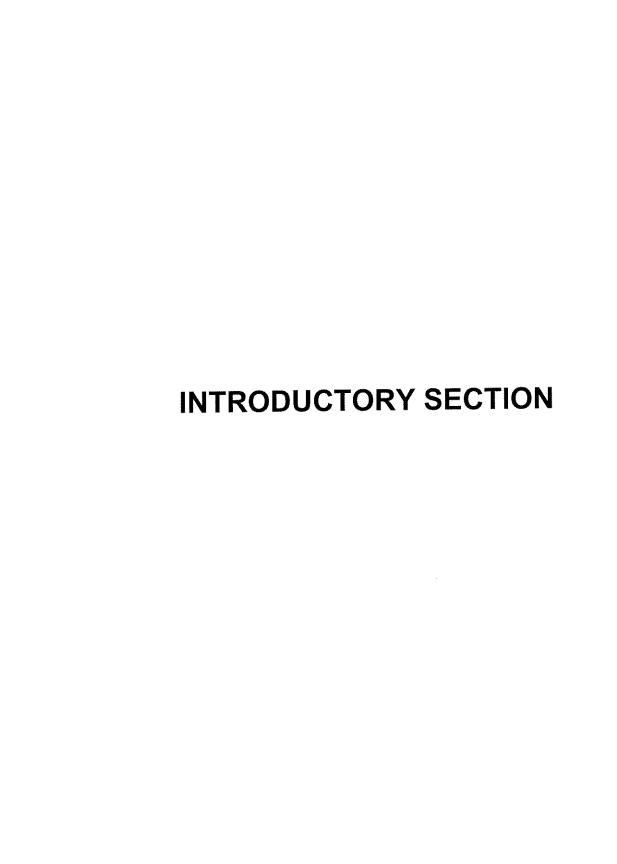
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Loudoun County, Virginia

www.loudoun.gov

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November 30, 2005

The Honorable Members of the Board of Supervisors County of Loudoun, Virginia 1 Harrison Street, S.E., P.O.Box 7000 Leesburg, Virginia 20177-7000

Dear Mr. Chairman and Members of the Board:

I am pleased to present the County's Comprehensive Annual Financial Report for the fiscal year ending June 30, 2005.

This report, prepared by the Comptroller's Office of the Department of Management and Financial Services, identifies the County's financial position and marks the County's financial activities over the past fiscal year. We believe the data contained in the report are accurate in all material aspects. The required disclosure statements are also set forth.

The Comprehensive Annual Financial Report marks the County's continued adherence to and refinement of the guidelines and goals set forth in the Board of Supervisors' Fiscal Policy. The purpose of the Fiscal Policy is to set forth those policies of the Board that establish guidelines for the fiscal stability of the County and establish guidelines for the County Administrator in insuring that fiscal stability. An effective Fiscal Policy (1) contributes significantly to the County's ability to insulate itself from fiscal crisis, (2) enhances short-term and long term financial credit ability by helping to achieve the highest credit and bond ratings possible, (3) promotes long-term financial stability by establishing clear and consistent guidelines, (4) directs attention to the total financial picture of the County rather than single issue areas, (5) promotes the view of linking long term financial planning with day-to-day operations, and (6) provides a framework for measuring the impact of government services against established fiscal parameters and guidelines. The summarized progress as reported in the Comprehensive Annual Financial Report has become an indicator of the relative success of these policies. During fiscal year 2005, Moody's Investors Services, Inc. affirmed the Aaa bond rating and Fitch Credit Rating Services upgraded the County's general obligation bond rating to AAA, the highest rating available. Standard and Poor's (S&P) affirmed the AA+ bond rating.

The County concluded fiscal year 2005 in sound financial condition. In addition, the County initiated or continued a number of management initiatives designed to effectively manage the challenges that continued growth has brought to Loudoun County.

The County, through the budgeting process, funded a series of long-range strategic objectives that establishes a base for providing services for our anticipated population. These objectives significantly impacted service planning, land use planning and general management.

It will take planning and commitment to meet the challenge of efficiently providing needed services for the current population while developing the necessary infrastructure for the future and the tax base and resources to pay for that infrastructure. The County population is estimated to be 247,293 in 2005. According to a recent report issued by the County's Fiscal Impact Technical Review Committee, between now and 2010 Loudoun will experience the highest percentage growth in population and jobs for the entire Washington Metropolitan Area. By 2010, Loudoun's population is expected to be approximately 304,200.

In managing our available resources, we must strike a balance between the demands for additional services and the ability to pay for those services. The increasing rate of growth has increased the need for growth management and has, concurrently, modestly increased the resources available for program allocation. Financial management continues to be of paramount importance in this and future fiscal years.

Board of Supervisors Page Two

The County's financial health is reflected in the soundness of its current financial condition, and it is anticipated that current financial management practices will continue the County's tradition of fiscal stability. The Board's emphasis on sound fiscal planning, budget development, and financial management contributes to the present financial condition of the County and sets the parameters and tasks for next year.

Respectfully submitted,

Kirby M. Bowers County Administrator



Loudoun County, Virginia

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Department of Management and Financial Services 1 Harrison Street, S.E., 5th Floor, P.O. Box 7000, Leesburg, VA 20177-7000 Telephone (703) 777-0563 • Fax (703) 777-0567

November 30, 2005

County Administrator and Honorable Members of the Board of Supervisors County of Loudoun, Virginia

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of the County of Loudoun (County), Virginia, for the fiscal year ended June 30, 2005, was prepared by the County's Department of Management and Financial Services, Comptroller's Office, in accordance with Sections 15.2-2510 and 15.2-2511 of the Code of Virginia. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with County management. We believe that the data as presented are accurate in all material respects, that they are presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of our various funds, and that all disclosures necessary to enable the reader to understand the County's financial activity have been included.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial and Statistical. The Introductory Section is intended to acquaint the reader with the organizational structure of the County and the nature and scope of the services provided to County residents and others and includes this transmittal letter, the County's organizational chart and a list of principal officials. The Financial Section provides the financial position and results of operations of the County, and includes management's discussion and analysis, government-wide financial statements, fund financial statements, combining financial statements, a budgetary comparison schedule, pension schedules, as well as the report of the independent auditors on the financial statements and schedules. The Statistical Section is designed to reflect social and economic data, financial trends and the fiscal capacity of the County and includes selected financial and demographic information, generally presented on a multi-year basis.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The County is required to undergo an annual compliance or "single" audit in conformity with the provisions of the revised Single Audit Act of 1996 and U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Information related to this single audit, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and the auditors' reports on internal control over financial reporting and on compliance and other matters, is included in a separate report.

The County provides a full range of municipal services authorized by the Code of Virginia and by the Board of Supervisors. These services include public safety (law enforcement and traffic control, fire and rescue services, corrections and detention, and inspections); health and welfare (health, mental health and mental retardation, and social services); education (elementary, secondary, and community college support); parks, recreation and culture (including libraries and museums); community development (planning, zoning, housing, environmental management, and cooperative extension); public works (sanitation and waste removal and maintenance); and general government administration (legislative, general and financial, elections, and judicial). A summary of the financial highlights of these operations for the fiscal year ended June 30, 2005 in the County's various funds is presented in Management's Discussion and Analysis, which precedes the County's Financial Statements. In addition to General Government activities, the Board of Supervisors exercises, or has the ability to exercise, budgetary control over the County's School System; therefore, elementary and secondary education activities are included within the reporting entity as a discretely presented component unit.

Local Economic Condition and Outlook

The citizens of Loudoun are proud of their County, one that combines financial strength and stability with planned progress and a high standard of living or "quality of life." The County, recognized as the third fastest growing County in the nation from 2003 to 2004 and as the fastest growing County in the nation from 2000 to 2004, continues to provide quality service to its residents as it plans for Loudoun's future livability, while minimizing budgetary increases and tax burdens.

County Administrator and Honorable Members of the Board of Supervisors Page Two

The County concluded fiscal year 2005 in sound financial condition with minimal fiscal stress. The region's favorable economic conditions and the prospect of these conditions continuing have produced a rate of growth for the County greater than has been experienced over recent years. Our planned growth will, in the short term, impact the amount of resources available for allocation to the many programs required by an urbanizing community. The potential for continued long-term growth is excellent.

Fiscal year 2005 saw the continued growth of both the residential and commercial/industrial real estate markets. In July 2004, the Board of Supervisors adopted the current Economic Development Strategic Plan. The plan is community-wide and aligns public and private resources toward shared goals and priorities to enhance the commercial tax base. The Strategic Plan vision is of an innovative, globally competitive economy known for its favorable business environment, exceptional quality of place and strong sense of community.

Education continues to be a priority program within the County's operations, and the benefits are demonstrated in excellent testing results of County students. The County School System has a very favorable teacher/pupil ratio and has obtained recognition for excellence in education.

The County faces the challenges of growth and development with confidence, based on a proven financial track record. The County's successes are shared accomplishments combining skill, experience and dedication of elected officials, appointed officials, County employees, and citizens. Faced with changing resources, especially in Federal spending, taxation, and State assistance, the County must continue to plan and manage these resources carefully. The County must continuously define its role in the community to respond to changing times. We will continually fine tune our processes to deliver services to ensure our citizens that we take every possible step to provide the services they want at the least possible cost. Always working with integrity, we seek to lead in the innovative expansion of the professional disciplines in which we serve.

Financial Information

Internal Control - Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable assurance that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits which require estimates and judgments by management, is reasonable.

Budgetary Control - In addition to internal controls, the County maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual Fiscal Plan and Appropriations Resolution and adopted in the Budget by the County's Board of Supervisors. Activities of the General Fund, most Special Revenue Funds, and Debt Service Fund are included in the annual Appropriations Resolution and adopted Fiscal Plan. Project-length budgets are adopted for the Capital Projects Fund. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by individual fund. However, management control is maintained at the character level within each organizational unit. The County also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year end; however, they generally are reappropriated as part of the following year's budget.

<u>Cash Management</u> - Under the pooled cash concept, the County has greater investment flexibility and normally recognizes a higher rate of return. The County's operating and payroll accounts are maintained as true zero balance accounts so that all excess funds are invested overnight in repurchase agreements. The overnight repurchase agreements are collateralized by U.S. Government and U.S. Agency securities. Idle funds available for longer periods of time are invested in Certificates of Deposit (CDs), the State-maintained Local Government Investment Pool, the State-maintained State Non-Arbitrage Pool, and Money Market accounts.

Certificates of deposit are awarded via competitive bid among Virginia banks. All Virginia banks are required to collateralize deposits of public funds, and report monthly, both deposits and collateral held, to the Commonwealth's Department of Treasury.

The average yield on County investments during fiscal year 2005 was 2.62%. The total amount of interest earned on County investments was \$8,805,394. This compares to 1.25% and \$3,960,060 for fiscal year 2004.

County Administrator and Honorable Members of the Board of Supervisors Page Three

Risk Management - The County General Government's automobile liability, general liability and public officials protection are administered through the Virginia Association of Counties (VACO). These agreements have a \$10 million per occurrence limit. The general liability protections have a \$10 million aggregate limit. Both automobile and general liability policies have a \$100,000 retention. Member jurisdictions contribute to the pool based on their size and past claims experience. The County is also insured for constitutional officers and law-enforcement liability risk through the State Division of Risk Management. These programs have a \$1 million per occurrence limit, and insure the County Sheriff's Department, other County enforcement agencies and all elected constitutional officers and their employees against certain types of claims.

Claims that arose from incidents occurring prior to the existence of all the foregoing agreements are covered under the County's previous commercial insurance programs. The County received and has maintained a Certificate as a Qualified Self-Insurer from the Virginia State Industrial Commission. The County self-insures General Government and Component Unit-Schools workers' compensation and employers' liability, the specified benefits of which are statutory. The County maintains excess insurance from the Employers Reinsurance Corporation limiting individual claims against the self-insurance program to \$400,000.

The County General Government and the Component Unit-Schools contract a third-party administrator to process workers' compensation claims, provide underwriting services, recommend reserve levels, and provide safety and loss control services. All other lines of property and casualty insurance either have been or are expected to be renewed as they become due. The General Government's administrator is currently Accordia Employers Service and until January 1, 2005 was Landin, Inc. The Component Unit-Schools' administrator is VACO.

The County self-insures health insurance for all eligible employees and all retirees with 20 years of service or who qualify for disability. The County purchases specific stop loss insurance from Mid Atlantic Medical Services, Inc. (MAMSI) limiting claims against the self-insurance program to \$100,000 per occurrence for individual claims. A reserve for pending claims and incurred but not reported claims of \$4,556,707 has been accrued as a liability within the self-insurance fund based upon estimates from the County's health insurance claims administrators. The County Primary Government and Component Unit-Schools retained MAMSI, a third party administrator, to adjust health insurance claims, provide underwriting services, recommend reserve levels, including claims reported but not settled until August 31, 2005. As of September 1, 2005, the third party administrator became Cigna.

Other Information

Independent Audit - Virginia statutes require an annual audit be performed by independent certified public accountants. The accounting firm of KPMG LLP was selected by the County's Board of Supervisors to perform the annual financial and compliance audit. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the revised Federal Single Audit Act of 1996 and related OMB Circular A-133. The independent auditors' report on the basic financial statements, required supplementary information and other supplementary information is included in the Financial Section of this Report. The independent auditors' reports related specifically to the single audit are included in a separate report.

Certificate of Achievement for Excellence - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Loudoun, Virginia, for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2004. This Certificate of Achievement is a prestigious national award recognizing adherence to the highest standards for preparation of a state and local government financial report.

In order to be awarded a Certificate of Achievement, a governmental unit must publish a Comprehensive Annual Financial Report that clearly communicates the unit's financial story and whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and the applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Report continues to conform to the Certificate of Achievement Program requirements, and we will submit it to the GFOA to determine its eligibility for another certificate.

Acknowledgments - The County continues to maintain a strong financial position through responsible and progressive management of financial operations and through sound accounting and financial reporting practices. The current accounting and financial reporting standards represent significant enhancements and enable increased efficiency in governmental accounting and financial reporting. We continue to support the achievements in these areas by the Governmental Accounting Standards Board and the Government Finance Officers Association. These practices provide, in our opinion, a sound framework for a truly "comprehensive" annual financial report.

County Administrator and Honorable Members of the Board of Supervisors Page Four

The timely preparation of this Comprehensive Annual Financial Report could not have been accomplished without the effort of the entire staff of this Department's Comptroller's Office. Special recognition goes to our Assistant Comptroller, Ronald C. Pennington, and to our Financial Analysts, Eileen Nguyen and Mark Withrow, for their technical expertise, review and dedicated service in the preparation of this Comprehensive Annual Financial Report.

Their continued and diligent efforts towards upgrading the County's Financial Accounting and Management Information System, Fixed Asset Accounting and Control System, and many other ancillary financial systems, have led substantially to the improved quality of financial information being reported to management, the County Administrator, the Board of Supervisors and the citizens of the County.

We would also like to express our appreciation to all other members of the Comptroller's Office of the Department of Management and Financial Services, to our independent auditors and to all County agencies that assisted and contributed to the preparation of this Report. We would also like to thank the members of the Board of Supervisors and the County Administrator for their interest and continued support in planning and implementing efficient yet effective financial operations of the County. This support and cooperation represents responsible and progressive financial management for the County. We will strive to maintain the direction the Board requires to maintain an equitable balance between available resources and the demand for high quality services.

Respectfully submitted,

Paul N. Arnett Comptroller

Mark D. Adams

Director of Management and Financial Services

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Loudoun, Virginia

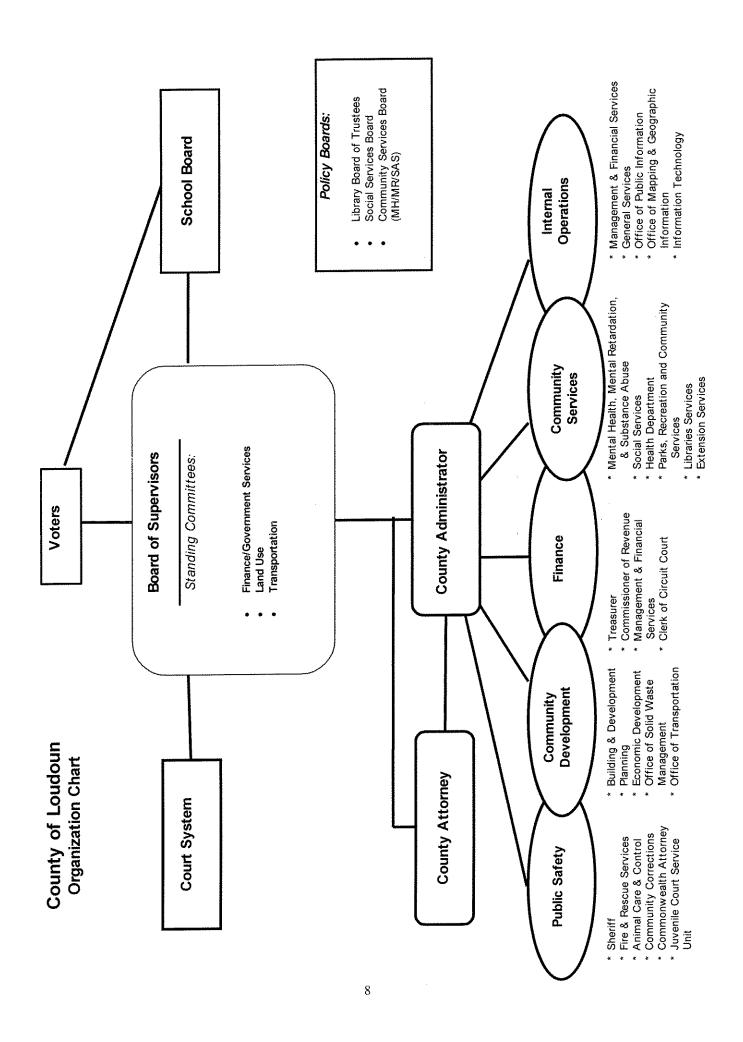
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

UNITE OFFICE STATE STATE OF THE STATE OF THE

lancy L. Zielle President

Executive Director



COUNTY OF LOUDOUN, VIRGINIA Directory of Officials June 30, 2005

BOARD OF SUPERVISORS

Scott K. York, Chairman
Bruce E. Tulloch, Vice Chairman
James G. Burton
Lori Waters
Sally R. Kurtz
Stephen J. Snow
Jim Clem
Eugene A. Delgaudio
Mick Staton

At Large
Potomac District
Blue Ridge District
Broad Run District
Catoctin District
Dulles District
Leesburg District
Sterling District
Sugarland Run District

SCHOOL BOARD

John A. Andrews, Chairman Thomas E. Reed, Vice Chairman Priscilla B. Godfrey Bob Ohneiser Mark J. Nuzzaco Robert F. DuPree, Jr. Sarah B. Smith J. Warren Geurin Joseph M. Guzman, Ph.D. Potomac District
At-Large Member
Blue Ridge District
Broad Run District
Catoctin District
Dulles District
Leesburg District
Sterling District

CONSTITUTIONAL OFFICERS

Robert S. Wertz, Jr. James E. Plowman Gary M. Clemens Stephen O. Simpson H. Roger Zurn, Jr. Commissioner of Revenue Commonwealth's Attorney Clerk of Circuit Court Sheriff Treasurer

ADMINISTRATIVE OFFICERS - GENERAL GOVERNMENT

Kirby M. Bowers Linda A. Neri Candice L. deButts John R. Roberts Mark D. Adams Ben Mays Paul N. Arnett County Administrator
Deputy County Administrator
Deputy County Administrator
County Attorney
Director of Management and Financial Services
Deputy Chief Financial Officer
Comptroller

ADMINISTRATIVE OFFICERS - SCHOOL SYSTEM

Dr. Edgar B. Hatrick Ned D. Waterhouse Sharon D. Ackerman Evan E. Mohler C. Sue Hurd Matthew D. Britt, IV Douglas C. Holmes Superintendent of Schools
Deputy Superintendent
Assistant Superintendent
Assistant Superintendent
Assistant Superintendent
Assistant Superintendent
Assistant Superintendent
Assistant Superintendent

COUNTY OF LOUDOUN

The County of Loudoun is a historic, transitional rural county that was established in 1757 and named for John Campbell, Fourth Earl of Loudoun. The County is located in the Northwestern tip of the Commonwealth of Virginia just west and north of Washington, D.C., and is considered to be part of the Northern Virginia and Washington Metropolitan areas. The County is approximately 517 square miles in size, covering 330,880 acres of land area, with a current population of approximately 247,293 and is one of the fastest growing jurisdictions in the Washington Metropolitan Area.

The County is governed by an elected body of representatives called the Board of Supervisors, with one Supervisor elected from each of the eight magisterial districts and one At-Large (Chairman) for a term of four years. The Board of Supervisors is the legislative and policy setting body for the County government, oversees general governmental operations, and is responsible for appropriating funds for the various County departments and agencies. A County Administrator is appointed by the Board of Supervisors to act as the Board's agent in the administration and operation of these departments and agencies. The Board also appoints the Planning Commission, the Library Board, the Social Services Board, as well as other advisory boards, commissions, committees, etc.

In addition to the Board of Supervisors, other elected County officials include: the School Board, the Commonwealth Attorney, Commissioner of Revenue, Treasurer, Sheriff, and Circuit Court Clerk. The judges of the Circuit Court, General District Court, and the Juvenile and Domestic Relations District Court are elected by the State Legislature.

Loudoun County has the conveniences associated with urban areas, while maintaining a comfortable "country-living" atmosphere. The eastern portion of the County borders with Fairfax County, Virginia, and contains the rapidly expanding Dulles International Airport. This portion of the County has grown into a densely populated area with easy access to the Washington Metropolitan Area. This part of the County portrays the "suburban life", with many modern conveniences, easy access to schools, airport, shopping centers, etc. While Eastern Loudoun, experiencing heavy development pressures from the Washington Metropolitan Area, represents the new urban growth, Western Loudoun, bordered by the Blue Ridge Mountains to the west and Potomac River to the north, displays a rural and historical environment. The western portion of the County is made up of small towns and villages surrounded primarily by farmland and open spaces. This portion of the County is sparsely populated and represents the past, with many of the oldest historical sites in the United States. The combination of Eastern and Western Loudoun, of urban growth and historic stability, makes Loudoun County one of the most desirable counties in Northern Virginia for establishing businesses and residencies.







KPMG LLP 2001 M Street, NW Washington, DC 20036

Independent Auditors' Report

The Board of Supervisors, County of Loudoun, Virginia:

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Loudoun, Virginia, (the County) as of and for the year ended June 30, 2005, which collectively comprise the County's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the County of Loudoun's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the Specifications for Audits of Counties, Cities and Towns, issued by the Auditor of Public Accounts of the Commonwealth of Virginia (Specifications). Those standards and Specifications require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2005, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

As described in Note III to the basic financial statements, the County implemented Statement of the Governmental Accounting Standards Board No. 40, Deposit and Investment Risk Disclosures (an amendment of GASB Statement No. 3), for the year ended June 30, 2005.

The Management's Discussion and Analysis on pages 13 through 19, and the budgetary comparison schedule and pension schedules on pages 53 through 56 are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.



In accordance with Government Auditing Standards, we have also issued our report dated November 30, 2005 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The information listed as introductory section, other supplementary information, and statistical section in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The information included in the introductory and statistical sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

KPMG LIP

November 30, 2005



COUNTY OF LOUDOUN, VIRGINIA MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2005

The following discussion and analysis of the County of Loudoun's (the County) financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2005. Please read it in conjunction with the transmittal letter at the front of this report and the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS FOR FY 2005

The General Fund, on a current financial resource basis, reported revenues in excess of expenditures and other financing sources and uses of \$29.0 million (Exhibit V).

On a government-wide basis for governmental activities, the County had expenses, net of program revenues, of \$736.7 million, which were \$63.0 million more than the general revenues of \$673.7 million (Exhibit II).

The County's total net assets excluding the component unit, on the government-wide basis, totaled (\$259.6) million (Exhibit I) at June 30, 2005. The negative net assets of the County is due primarily to the capital assets of the Component Unit-Schools being financed with bonds issued by the County.

On October 15, 2004, the County, through the Virginia Public School Authority (VPSA), sold \$66.525 million in general obligation bonds at a true interest cost of 3.92%. The tax-exempt bonds, which will mature incrementally over the next 20 years, will be used to finance public improvements, all of which are school facilities.

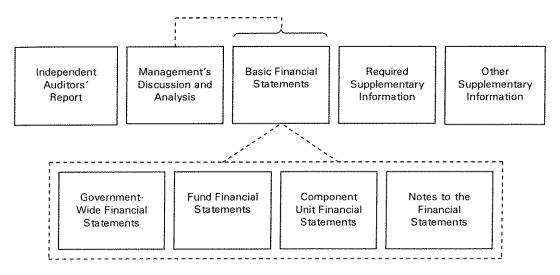
On January 20, 2005, the County sold \$158.085 million in general obligation refunding bonds at a true interest cost of 3.75%. The tax-exempt bonds, which will mature incrementally over the next 18 years, will be used to advance refund certain maturities of the Series 1994A, Series 1996A, Series 1997A, Series 1998A, Series 1998B, Series 1999B, Series 1999C, Series 2000B, Series 2001B, Series 2001C, Series 2002A and Series 2003A general obligation bonds.

On June 8, 2005, the County sold \$122.365 million in general obligation bonds at a true interest cost of 3.70%. The tax-exempt bonds, which will mature incrementally over the next 20 years, will be used to finance public improvements, including approximately 82% for school facilities.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

This Comprehensive Annual Financial Report consists of three sections: introductory, financial, and statistical. As the following chart shows, the financial section of this report has five components – independent auditors' report, management's discussion and analysis (this section), the basic financial statements, required supplementary information, and other supplementary information.

COMPONENTS OF THE FINANCIAL SECTION



The County's financial statements present two kinds of statements, each with a different snapshot of the County's finances. The focus of the financial statements is on both the County as a whole (government-wide) and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the County's overall financial status. The fund financial statements provide information on a current financial resource basis only and focus on the individual parts of the County government, reporting the County's operations in more detail than the government-wide statements. Both perspectives (government-wide and fund) allow the user to address relevant questions, broaden the basis of comparison (year to year or government to government) and enhance the County's accountability.

GOVERNMENT-WIDE STATEMENTS

One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which are the government-wide statements, report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net assets and changes in them. One can think of the County's net assets – the difference between assets and liabilities – as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net assets are one indicator of whether its financial health is improving. Other nonfinancial factors will need to be considered, however, such as changes in the County's property tax base and the condition of the County's roads, to assess the overall health of the County.

In the Statement of Net Assets and the Statement of Activities, we divide the County into the following:

Governmental activities – All of the County's basic services are reported here: Public safety (law enforcement and traffic control, fire and rescue services, corrections and detention, and inspections); health and welfare (health, mental health and mental retardation, and social services); education (elementary, secondary, and community college support); parks, recreation and cultural (including libraries and museums); community development (planning, zoning, housing, environmental management, and cooperative extension); limited public works (sanitation and waste removal and maintenance); and general government administration (legislative, general and financial, elections and judicial). Property taxes, other local taxes, and state and federal grants finance most of these activities.

<u>Component unit</u> - The County includes a separate legal entity in its report - the Loudoun County School Board. Although legally separate, the "component unit" is included because the County is financially accountable and provides operating and capital funding for the Loudoun County Public Schools.

FUND FINANCIAL STATEMENTS

Traditional users of government financial statements find the fund financial statement presentation more familiar. The fund financial statements provide more information about the County's most significant funds – not the County as a whole.

The County has three kinds of funds:

Governmental funds — Most of the County's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided in an accompanying schedule to the governmental funds statement that explains the relationship (or differences) between them.

<u>Proprietary funds</u> – These funds are used to account for operations that are financed in a manner similar to private business enterprises. The proprietary fund measurement focus is upon determination of net income, financial position, and cash flows. Cash and temporary investments related to these proprietary funds are all highly liquid cash equivalents.

The County's proprietary fund types consist of the Central Services Fund and the Self-insurance Fund, both of which are considered to be Internal Service Funds. The operations of these funds are generally intended to be self-supporting and the results are included in the Governmental Activities in the entity-wide financial statements.

The Central Services Fund is used to account for the financing of goods or services provided among County departments on a cost-reimbursement basis and includes such activities as central duplicating, telephone, mail, support, and vehicle services. The Self-insurance Fund is used to account for the accumulation of resources to pay for losses incurred by the partial or total retention of risk of loss rather than transferring the risk to a third party through the purchase of commercial insurance, and includes such uninsured risks as health, workers' compensation, and vehicle self-insurance programs.

Fiduciary funds – The County is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that – because of a trust arrangement – can be used only for the trust beneficiary. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. The County excludes these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Statement of Net Assets:

The following table reflects the condensed Statement of Net Assets (Exhibit I) in comparative format:

Table 1
Summary Statement of Net Assets
Comparison as of June 30, 2005 and 2004 (thousands)

	Γ	Pri	ry Governm		Com	pon	ent Unit-Sc	hoo	ls		
		FY 05		FY 04		ncrease/ ecrease)	FY 05		FY 04	1	Increase/ Decrease)
Current and Other Assets	\$	696,921	\$	592,094	\$	104,827	\$ 202,161	\$	120,837	\$	81,324
Capital Assets		261,708		223,710		37,998	 823,482		717,524		105,958
Total Assets	\$	958,629	\$	815,804	\$	142,825	\$ 1,025,643	\$	838,361	\$	187,282
Other Liabilities	\$	312,031	\$	253,509	\$	58,522	\$ 59,933	\$	50,139	\$	9,794
Long Term Liabilities	┢┈	906,218		758,884	-	147,334	28,247		28,561		(314)
Total Liabilities	\$	1,218,249	\$	1,012,393	\$	205,856	\$ 88,180	\$	78,700	\$	9,480
Net Assets											
Invested in Capital Assets, Net of Related Debt	\$	127,470	\$	105,472	\$	21,998	\$ 806,395	\$	700,535	\$	105,860
Restricted		51,033		54,842		(3,809)	84,731		51,083		33,648
Unrestricted		(438,123)		(356,903)		(81,220)	 46,336		8,043		38,293
Total Net Assets (Deficit)	\$	(259,620)	\$	(196,589)	\$	(63,031)	\$ 937,462	\$	759,661	\$	177,801

This overall change in the County's net assets relates to school construction costs financed by the County. Conversely, the overall change in the School's net assets relates to the construction of new schools during the fiscal

The increase in the primary government's Current and Other Assets is due to (1) the increase in cash and investments resulting from the increase in property tax revenue and (2) the increase in cash with fiscal agents resulting from unspent proceeds from the sale of general obligation and lease revenue bonds. The increase in Other Liabilities is due to (1) the increase in property taxes not yet due and (2) the increase in accounts payable. The increase in Long Term Liabilities is due to the issuance of general obligation and lease revenue bonds.

The increase in the component unit-schools' Current and Other Assets is due to the investment of bond proceeds for capital projects. The increase in Restricted Net Assets is due to the increase in school capital projects in progress.

Statement of Activities

The following chart reflects the changes in Net Assets (Exhibit II) in comparative format:

Table 2
Changes in Net Assets
Comparison for the years ended June 30, 2005 and 2004 (thousands)

	Pr	ima	ry Governm	ent			Com	pon	ent Unit-Sc	hoo	ls
	FY 05		FY 04	(1	Increase/ Decrease)		FY 05		FY 04	((Increase/ Decrease)
REVENUES											
Program Revenues:											
Charges for Services	\$ 53,116	\$	45,620	\$	7,496	\$	12,205	\$	10,048	\$	2,157
Operating Grants and Contributions	59,079		47,706		11,373		106,802		99,075		7,727
Capital Grants and Contributions	3,932		12,021		(8,089)		1,812		11,245	ļ	(9,433)
General Revenues:											
Property Taxes	496,425		431,317		65,108		-		-		
Other Taxes	110,005		91,899		18,106			,	4-		
Restricted to Specific Programs	55,954		51,507		4,447		-		-		-
Other	11,299		5,995		5,304		61		199		(138)
Payment from County	-		-		<u>.</u>		540,937		420,165	L	120,772
Total Revenues	\$ 789,810	\$	686,065	\$	103,745	\$	661,817	\$	540,732	\$	121,085
EXPENSES											
General Government	\$ 35,357	\$	34,755	\$	602	\$	-	\$	-	\$	-
Judicial Administration	8,345		7,889		456		-			L	
Public Safety	86,387		78,026		8,361		-		w	<u> </u>	-
Public Works	29,982		28,017		1,965		-		_		***
Health and Welfare	63,485		59,265		4,220		-		-	<u> </u>	-
Parks, Recreation and Culture	33,695		32,337		1,358		-		uph.		
Community Development	31,171		30,861		310		-		-		w
Education	533,941		417,371		116,570		484,016		431,972		52,044
Interest and Other Debt Service											
Charges	30,478	ļ	26,673		3,805	L	-		-		-
Total Expenses	\$ 852,841	\$	715,194	\$	137,647	\$	484,016	\$	431,972	\$	52,044
Change in Net Assets	\$ (63,031)		(29,129)	\$	(33,902)	\$	177,801	\$	108,760	\$	69,041
Net Assets Beginning of Year	(196,589)		(167,460)		(29,129)		759,661		650,901		108,760
Net Assets End of Year	\$ (259,620)	\$	(196,589)	\$	(63,031)	\$	937,462	\$	759,661	\$	177,801

Revenues

For the fiscal year ended June 30, 2005, primary government revenues totaled \$789,810,000, an increase of \$103,745,000 from the prior fiscal year.

Property tax revenue, the County's largest revenue source, increased \$65,108,000 from the prior fiscal year. The increase in property tax revenue is directly attributed to the increase of more than \$8.8 billion in assessed value of property in the County, due primarily to growth in residential and commercial construction. Property tax revenue also includes monies received from the Commonwealth of Virginia for the Personal Property Tax Relief Act of 1998 (PPTRA). Other taxes increased \$18,106,000 from the prior fiscal year with increases in all categories of other taxes: local sales tax, consumer utility tax, business license tax, motor vehicle license tax, taxes on recordation and wills, hotel and motel room taxes, and emergency 911 fees. Capital grants and contributions increased \$4,447,000 from the prior fiscal year. The increase in other revenue of \$5,304,000 was due to an increase in interest earnings resulting from a higher overall average yield on investments combined with an increase in the amount of funds invested that resulted from the additional property tax revenue.

Expenses

For the fiscal year ended June 30, 2005, expenses for governmental activities total \$852,841,000.

Education continues to be one of the County's highest priorities and commitments. Of the total expenses, \$533,941,000 represents education expenses and the transfer of bond proceeds to schools. Six new schools were opened during the fiscal year. Education expenses in fiscal year 2005 increased from the previous fiscal year partly due to the addition of the six new schools. The increase in the remaining expenditure categories is directly attributed to the continuing population growth in the County.

Financial Analysis of the County's Funds

For the fiscal year ended June 30, 2005, the governmental funds reflect a combined fund balance of \$361,007,418. Of this amount, \$44,061,460 is reserved, \$79,153,051 is designated for fiscal cash liquidity, \$70,638,553 is designated for subsequent years' capital projects, \$32,718,005 is designated for future debt service, and \$134,436,349 is undesignated (refer to Exhibit III).

General Fund Budgetary Highlights

	Fiscal Year 2005									
	Original Budget			ended Budget		Actual				
Revenues and Transfers In:										
Taxes	\$	545,739,793	\$	545,743,543	\$	584,663,016				
Intergovernmental		75,961,804		80,885,191		85,571,629				
Other		50,360,052		51,999,694	60 00 00 00 00 00 00 00 00 00 00 00 00 0	58,064,437				
Total Revenues and Transfers In	\$	672,061,649	\$	678,628,428	\$	728,299,082				
Expenditures and Transfers Out										
Expenditures	\$	241,985,597	\$	256,466,864	\$	234,337,100				
Transfers		452,997,636		466,096,651		465,009,260				
Total Expenditures and Transfers Out	\$	694,983,233	\$	722,563,515	\$	699,346,360				
Changes in Fund Balance	\$	(22,921,584)	\$	(43,935,087)	\$	28,952,722				

The final amended budget for revenues and transfers in exceeded the original budget by \$6,566,779. This was due to the anticipation of additional grant funding from the Commonwealth and the federal government. The final amended budget appropriations, which include expenditures and transfers out, exceeded the original budget by \$27,580,282. This was due primarily to the timing difference between the adoption of the original budget and the encumbrances carried over at the end of the fiscal year as part of the amended budget.

Actual revenues and transfers in exceeded final budget amounts by \$49,670,654, while actual expenditures and transfers out were \$23,217,155 less than final amounts. Highlights of the comparison of final budget to actual figures for the fiscal year ended June 30, 2005, include the following:

- Actual tax revenues exceeded budgeted amounts by \$38,919,473 mostly due to real property, recordation, local sales and use, and business license taxes. The real property increase is due to equalization and residential growth, recordation tax increase is due to a state imposed rate increase, local sales and use tax increased because of better than anticipated economic performance, and the business license tax increase is directly attributable to the growing commercial industrial base in the County.
- Actual intergovernmental revenues exceeded budgeted amounts by \$4,686,438 due to an increase in amounts received from the Commonwealth, primarily taxes on deeds and reimbursement of personal property taxes.
- Actual other revenues were higher than the budgeted amounts primarily due to revenues from permits and licenses, which exceeded budgeted amounts by \$6,101,395 mostly due to an increase in building permits.
- Actual public safety expenditures were \$8,096,896 less than budgeted amounts due to personnel vacancy savings and replenishment of the central vehicle replacement fund was less than appropriated.
- Actual expenditures in all other functions of the general government were between \$2,000,000 and \$4,000,000 less than budgeted amounts primarily due to cost reduction / cost saving strategies implemented early in the fiscal year.

Capital Assets

At the end of fiscal year 2005, the County primary government had invested \$261,707,785 in a variety of capital assets as reflected in the following schedule, which represents a net increase of \$37,997,584. More detailed information on capital assets can be found in Note VII of the notes to the financial statements.

Table 3
Governmental Funds
Change in Capital Assets

		Balance At June 30, 2004	Net Additions/Deletions			Balance At June 30, 2005
Capital Assets:						
Land	\$	59,792,237	\$	17,134,780	\$	76,927,017
Buildings		95,758,294		2,171,045		97,929,339
Improvements Other Than Buildings	Ī.	12,042,332		6,669		12,049,001
Equipment		81,103,373		10,622,688		91,726,061
Infrastructure		384,421		138,060		522,481
Construction in Progress		42,989,062		18,645,665		61,634,727
Accumulated Depreciation		(68,359,518)		(10,721,323)		(79,080,841)
Total Capital Assets, Net of Accumulated Depreciation	\$	223,710,201	\$	37,997,584	\$	261,707,785

The Component Unit-Schools capital assets reflected in the following table totaled \$823,481,947, which represents a net increase of \$105,957,737.

Schools Change in Capital Assets

		Balance At June 30, 2004		Net ditions/Deletions		Balance At June 30, 2005
Capital Assets:						
Land	\$	43,547,599	\$	(155,000)	\$	43,392,599
Buildings		455,431,576		98,285,100		553,716,676
Improvements Other Than Buildings		762,409		_		762,409
Equipment		65,147,434		17,397,195		82,544,629
Construction in Progress		271,982,194		8,077,362		280,059,556
Accumulated Depreciation		(119,347,002)		(17,646,920)		(136,993,922)
Total Capital Assets, Net of Accumulated Depreciation	\$	717,524,210	\$	105.957.737	ġ.	823,481,947

During the fiscal year 2006 budget process, Loudoun County updated the adopted six-year Capital Improvement Program (CIP) that totaled \$1,020,061,000. The fiscal years 2005-2010 plan includes nine new elementary schools for \$195.5 million, renovation of three existing elementary schools for \$32.6 million, three new middle schools for \$120.3 million, renovation of existing middle schools for \$36.9 million, three new high schools for \$239.6 million, renovation of an existing high school and ball field lighting for \$18.7 million. Other capital projects include the Dulles Corridor Rapid Transit System for \$21.9 million, other transportation projects for \$26.2 million, a land acquisition fund for \$104.9 million, general government office expansion for \$13.0 million, other governmental administration projects of \$5.7 million, public safety capital improvements of \$128.7 million, health and welfare capital improvements of \$23.8 million, parks, recreation and cultural capital improvements of \$46.6 million, and community development capital projects of \$3.9 million.

Long Term Debt

On October 15, 2004, January 20, 2005 and June 8, 2005, the County issued \$66,525,000, \$158,085,000 and \$122,365,000, respectively, in general obligation bonds to aid in financing both general government and school capital projects and to advance refund certain maturities of existing general obligation bonds. At the end of fiscal year 2005, the County had \$770,582,021 in outstanding general obligation bonds and loans. This represents a net increase of \$137,824,931 from last year. More detailed information on long term debt can be found in Note XI of the notes to the financial statements.

In fiscal year 2005, Moody's Investors Services, Inc. reaffirmed the County's bond rating of Aaa and Fitch Credit Rating Services upgraded the County's bond rating to AAA, the highest rating available, while Standard and Poor's (S&P) reaffirmed the County's AA+ bond rating.

Economic Factors

Loudoun County's economic and demographic conditions reflect and are dependent upon the prevailing conditions of the Washington DC region. While much of the United States has experienced slow economic growth over the past 24 months, the Washington area has continued to be one of the strongest regional economies. Regional forecasts predict continued job creation in the region, especially with the emphasis on "homeland security" and national defense. Between 2000 and 2005 the number of housing units increased at the substantial rate of nearly 50 percent. In the coming five years, residential development is expected to slow slightly, with the number of housing units increasing by just under 30 percent. After a two-year downturn in nonresidential construction, commercial development began to rise in 2003. In 2004, over 3.7 million square feet of new nonresidential space was permitted, and this trend is expected to continue over the next few years.

Contacting The County's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. In future years, a comparative analysis of government-wide data will be presented. Questions concerning this report or requests for additional financial information should be directed to Mark D. Adams, Director of Management and Financial Services, County of Loudoun, Virginia, P.O. Box 7000, Leesburg, VA 20177-7000. The telephone number is (703) 777-0290 and the County's web site is at www.loudoun.gov.



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COUNTY OF LOUDOUN, VIRGINIA STATEMENT OF NET ASSETS AS OF JUNE 30, 2005

	Primary Government	Component Unit	Total
	Governmental	School	Reporting
	Activities	Board	Entity
ASSETS	\$ 294,454,858	\$ 107,811,924	\$ 402,266,782
Cash and Cash Equivalents	94,832,998	85,036,513	179,869,511
Cash and Investments with Fiscal Agents	0.4,002,000	00,000,0	,
Receivables, Net:			
Taxes:	24,102,980		24.102,980
Delinquent	260,598,954	•	260,598,954
Not Yet Due	3,152,454	353,502	3,505,956
Accounts	14,689,771	8,172,508	22,862,279
Due from Other Governments	58,771	-,	58,771
Advances to Employees	377,930	422,682	800,612
Inventory of Supplies	1,220,098	363,539	1,583,637
Prepaid Items	3,432,210	,	3,432,210
Notes and Loans receivable, Net	0, 102, 2, 10		, ,
Capital Assets:	138,561,744	323,452,155	462,013,899
Non-depreciable	123,146,041	500,029,792	623,175,833
Depreciable, Net	261,707,785	823,481,947	1,085,189,732
Capital Assets, Net Total Assets	958,628,809	1,025,642,615	1,984,271,424
Total Assets			
LIABILITIES	477 200 049	20 502 000	45,902,736
Accounts Payable	17,309,648	28,593,088	10,798,230
Accrued Interest Payable	10,469,964	328,266	35,487,317
Accrued Liabilities	5,788,212	29,699,105	2,099,901
Prepaid Revenue	2,099,901	м	2,000,001
Deferred Revenue:	200 500 054		260,598,954
Property Taxes Not Yet Due	260,598,954	1 201 656	11,743,606
Other	10,441,950	1,301,656	5,333,144
Other Liabilities	5,321,877	11,267	3,330,177
Long-term Liabilities:			
Due Within One Year:	4 000 442	825,238	1,834,351
Compensated Absences	1,009,113	023,230	6,999,942
Claims Liabilities	6,999,942	**	63,246,980
Bonds Payable	63,246,980	•	3,699,675
Bonds Premium	3,699,675 1,618,221	5,289,039	6,907,260
Leases Payable	1,010,221	3,203,000	5,567,256
Due in More Than One Year:	12,585,684	10,334,943	22,920,627
Compensated Absences	1,871,058	-	1,871,058
Claims Liabilities	19,135,309	_	19,135,309
Landfill Closure and Postclosure Care Costs	707,335,041	_	707,335,041
Bonds Payable	29,420,028	_	29,420,028
Bonds Premium	59,297,176	11,797,751	71,094,927
Leases Payable	1,218,248,733	88,180,353	1,306,429,086
Total Liabilities	1,210,240,733	00,100,000	1,000,720,000
NET ASSETS	407 470 400	906 20E 4E7	203 405 924 4
Invested in Capital Assets, Net of Related Debt	127,470,166	806,395,157	203,485,821 A
Restricted for:	#A W-#	0.4 700 000	400 700 400
Capital Projects	50,989,509	84,730,893	135,720,402
Permanent Fund-Expendable	7,337	•	7,337
Permanent Fund-Nonexpendable	35,721		35,721
Unrestricted	(438,122,657)	46,336,212	338,593,057 A
Total Net Assets (Deficit)	\$ (259,619,924)	\$ 937,462,262	\$ 677,842,338

A The sum of the columns does not equal the Total Reporting Entity column by a difference of \$730,379,502 because the debt related to the School Board Component Unit is reflected in the primary government's general governmental activities column reducing unrestricted net assets. The assets are reflected in the School Board Component Unit column as invested in Capital Assets, net of related debt. The Total Reporting Entity column matches the asset with the debt and reports the net amount on the Invested in Capital Assets, net of related debt line.

COUNTY OF LOUDOUN, VIRGINIA STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2005

		F	Program Revenue	es	, ,) Revenue and Net Assets	
		Charges for	Operating Grants and	Capital Grants and	Primary Government Governmental	Component Unit School	Total Reporting
Functions/Programs Activities	Expenses	Services	Contributions	Contributions	<u>Activities</u>	Board	Entity
Primary Government:							
General Government Administration	\$ 35,356,686	\$ 1,380,614	\$ 3,553,113	\$ -	\$ (30,422,959)		\$ (30,422,959)
Judicial Administration	8,345,425	3,511,712	1,913,020	-	(2,920,693)		(2,920,693)
Public Safety	86,387,350	19,435,219	10,843,622	1,386,517	(54,721,992)		(54,721,992)
Public Works	29,981,919	6,329,103	13,523,976	222,880	(9,905,960)		(9,905,960)
Health and Welfare	63,485,269	6,323,009	23,409,483	68,296	(33,684,481)		(33,684,481)
Parks, Recreation and Culture	33,694,561	9,310,331	3,140,302	1,674,686	(19,569,242)		(19,569,242)
Community Development	31,170,760	6,730,823	995,843	579,600	(22,864,494)		(22,864,494)
Education	533,940,916	94,962	1,700,177	-	(532,145,777)		(532,145,777)
Interest and Other Debt Service Charge	es 30,477,927			-	(30,477,927)		(30,477,927)
Total Primary Government	\$ 852,840,813	\$ 53,115,773	\$ 59,079,536	\$ 3,931,979	\$ (736,713,525)		\$ (736,713,525)
Component Unit:							
School Board	\$ 484,015,462	\$ 12,205,031	\$ 106,802,247	\$ 1,811,415		\$ (363,196,769)	\$ (363,196,769)
Gen	neral Revenues:						
	Taxes:						
		evied for General F	urposes		496,424,804	~	496,424,804
	Local Sales and L	lse Taxes			45,926,134		45,926,134
	Consumer Utility	Taxes			15,960,041		15,960,041
	Business License	Taxes			20,957,038	u.	20,957,038
	Franchise License	Taxes			1,143,290	-	1,143,290
	Motor Vehicle Lice	enses			4,626,043	w-	4,626,043
	Bank Franchise To	axes			563,757	-	563,757
	Taxes on Records	ition and Wills		4	15,962,572	-	15,962,572
	Hotel and Motel R	oom Taxes			4,865,837		4,865,837
• 1	Payment from Coun	ty of Loudoun			*	540,937,157	540,937,157
	interest and investm				7,156,388	9,860	7,166,248
(Grants and Contribu	tions Not Restricte	d to Specific Progra	ims	55,954,122	-	55,954,122
•	Gifts and Donations				3,835,830	-	3,835,830
1	Miscellaneous				306,559	51,410	357,969
	Total General Rev	renues			673,682,415	540,998,427	1,214,680,842
	Change in	Net Assets			(63,031,110)	177,801,658	114,770,548
Net	Assets (Deficit) at B				(196,588,814)	759,660,604	563,071,790
	Assets (Deficit) at E				\$ (259,619,924)	\$ 937,462,262	\$ 677,842,338

COUNTY OF LOUDOUN, VIRGINIA BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2005

	General	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents Cash and Investments with Fiscal Agents Receivables, Net:	\$ 131,939,392 83,962	\$ 48,910,767 50,989,509	\$ 9,846,402 25,422,182	\$ 72,121,774 16,303,214	\$ 262,818,335 92,798,867
Taxes:					
Delinquent	23,233,004	-	_	869,976	24,102,980
Not yet due	260,598,954		-	~	260,598,954
Accounts	1,942,885	8,589	-	1,175,191	3,126,665
Due from Other Governments	12,483,140	614,157	-	1,592,474	14,689,771
Due from Other Funds	4,530,358		-	-	4,530,358
Advances to Employees	57,429	140	-	179	57,748
Prepaid Items	601,745	48,030	_	560,361	1,210,136
Notes and Loans Receivable, net	3,122,523		-	309,538	3,432,061
Total Assets	\$ 438,593,392	\$ 100,571,192	\$ 35,268,584	\$ 92,932,707	\$ 667,365,875
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 4,544,923	\$ 5,891,920	\$ 150	\$ 3,810,021	\$ 14,247,014
Accrued Liabilities	5,548,382	2,214	-	192,098	5,742,694
Prepaid Revenue	2,088,850	-	-	11,051	2,099,901
Deferred Revenue:					
Property Taxes Not Yet Due	260,598,954	-	-	-	260,598,954
Property Taxes	2,300,143	-	-	85,061	2,385,204
Other	10,429,104	•	-	1,009,115	11,438,219
Due to Other Funds			-	4,524,594	4,524,594
Other Liabilities	5,034,679	-	50,429	236,769	5,321,877
Total Liabilities	290,545,035	5,894,134	50,579	9,868,709	306,358,457
Fund Balances:					
Reserved for:					
Prepaid Items	601,745	48,030	-	560,361	1,210,136
Encumbrances	8,274,918	29,344,675	-	1,756,612	39,376,205
Notes and Loans Receivable	3,122,523	-	<u></u>	309,538	3,432,061
Permanent Fund - Expendable	-		-	7,337	7,337
Permanent Fund - Nonexpendable	-	-	-	35,721	35,721
Unreserved, reported in:					
General Fund:					
Designated for Fiscal Cash Liquidity	76,293,051	***	77	-	76,293,051
Designated for Future Capital Projects	1,032,343	-	-	-	1,032,343
Undesignated	58,723,777	-	•	~	58,723,777
Special Revenue Funds:					
Designated for Fiscal Cash Liquidity		-	•	360,000	360,000
Undesignated	_	-	-	75,712,572	75,712,572
Capital Projects Funds:					00.000.015
Designated for Capital Appropriations		65,284,353	-	4,321,857	69,606,210
Debt Service Fund:					A PAG 445
Designated for Fiscal Cash Liquidity	-		2,500,000	-	2,500,000
Designated for Future Debt Service			32,718,005		32,718,005
Total Fund Balances	148,048,357	94,677,058	35,218,005	83,063,998	361,007,418
Total Liabilities and Fund Balances	\$ 438,593,392	\$ 100,571,192	\$ 35,268,584	\$ 92,932,707	\$ 667,365,875

COUNTY OF LOUDOUN, VIRGINIA RECONCILIATION OF THE GOVERNMENTAL FUNDS FUND BALANCE TO THE STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES NET DEFICIT AS OF JUNE 30, 2005

Fund balances - total governmental funds	\$ 361,007,418
Amounts reported for governmental activities in the Statement of Net Assets (Exhibit I) are different because:	
G0Vei IIII elitai capital assets	,255,821 ,394,458) 249,861,363
Delinquent taxes and other long-term assets not available to pay for current period expenditures are deferred in the governmental funds.	3,381,473
Landfill closure and postclosure care costs Governmental bonds payable Governmental leases payable (60	5,594,797) 1,135,309) 1,582,021) 1,915,397) 1,119,703) (897,347,227)
Interest on long-term liabilities is not accrued in the governmental funds, but is rather recognized as an expenditures when due.	(10,469,964)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the Statement of Net Assets.	33,947,013
Net Deficit of Governmental Activities	\$ (259,619,924)

COUNTY OF LOUDOUN, VIRGINIA STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2005

	General	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
REVENUES					
General Property Taxes	\$ 490,378,641	\$ -	\$ -	\$ 9,112,474	\$ 499,491,115
Other Local Taxes	94,284,375	-	<u></u>	15,994,177	110,278,552
Permits and Licenses	23,102,301	-	-	-	23,102,301
Intergovernmental	85,571,629	1,005,997	~	12,184,102	98,761,728
Charges for Services	19,555,492	6,905	-	39,235	19,601,632
Fines and Forfeitures	2,023,360	-	-	-	2,023,360
Use of Money and Property	5,126,790	44	2,217,147	1,461,413	8,805,394
Recovered Costs	5,194,453	25,569	-	1,017,248	6,237,270
Gifts and Donations	351,428	73,441	•	22,112,970	22,537,839
Miscellaneous	420,458	102		114,363	534,923
Total Revenues	726,008,927	1,112,058	2,217,147	62,035,982	791,374,114
EXPENDITURES					
Current Operating:					
General Government Administration	34,145,164	-	-	-	34,145,164
Judicial Administration	8,118,047	_	-	42,022	8,160,069
Public Safety	78,260,183	-	-	7,027,705	85,287,888
Public Works	15,031,565	5,347,987	•	9,006,492	29,386,044
Health and Welfare	49,000,258	-	<u></u>	14,261, 4 41	63,261,699
Parks, Recreation and Culture	30,246,975	-	-	1,626,518	31,873,493
Community Development	19,534,908	<u></u>	-	11,622,706	31,157,614
Education	368,637,091	2,900,000	168,268,969	1,049,581	540,855,641
Capital Outlay	- .	42,099,568		257,856	42,357,424
Debt service:					
Principal Payments	•		51,966,993	95,069	52,062,062
Interest and Service Charges		-	30,618,398	10,469	30,628,867
Total Expenditures	602,974,191	50,347,555	250,854,360	44,999,859	949,175,965
Excess (Deficiency) of Revenues Over					•
(Under) Expenditures	123,034,736	(49,235,497)	(248,637,213)	17,036,123	(157,801,851)
OTHER FINANCING SOURCES (USES)					
Transfers In	2,213,206	65,975,686	63,306,538	6,088,300	137,583,730
Transfers (Out)	(96,372,169)	(41,000)	(22,546,031)	(21,490,322)	(140,449,522)
Issuance Premium	-	_	13,951,569	-	13,951,569
Issuance of Bonds		-	346,975,000	-	346,975,000
Payments to Refunded Bond Escrow Agent	-	-	(158,085,000)	-	(158,085,000)
Sales of Capital Assets	76,949		_		76,949
Total Other Financing Sources (Uses)	(94,082,014)	65,934,686	243,602,076	(15,402,022)	200,052,726
Net Change in Fund Balances	28,952,722	16,699,189	(5,035,137)	1,634,101	42,250,875
Fund Balances at Beginning of Year	119,095,635	77,977,869	40,253,142	81,429,897	318,756,543
Fund Balances at End of Year	\$ 148,048,357	\$ 94,677,058	\$ 35,218,005	\$ 83,063,998	\$ 361,007,418

COUNTY OF LOUDOUN, VIRGINIA RECONCILIATION OF CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2005

Net change in fund balances - total governmental funds		\$ 42,250,875
Amounts reported for governmental activities in the Statement of Net Assets (Exhibit II) are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. Expenditures for capital assets Less current year depreciation	44,792,084 (9,499,149)	35,292,935
In the Statement of Activities, only the gain (loss) on capital assets is reported while in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital asset.		(223,178)
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.		1,501,900
Donations of capital assets from Component Unit increases net assets in the statement of activities, but do not appear in the governmental funds because they are not financial uses.		15,000
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. Change in deferred revenue related to taxes		(3,066,311)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. Principal payments Net debt proceeds Current year amortization of bond premium	52,062,062 (202,281,569) 2,266,116	(147,953,391)
Expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Change in compensated absences liability Change in landfill closure/post-closure liability Change in accrued interest liability	(2,129,911) 1,611,278 (2,675,176)	(3,193,809)
Internal service funds are used by management to charge the costs of certain services to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.		12,344,869
Change in Net Assets of Governmental Activities		\$ (63,031,110)

COUNTY OF LOUDOUN, VIRGINIA STATEMENT OF NET ASSETS PROPRIETARY - INTERNAL SERVICE FUNDS AS OF JUNE 30, 2005

ASSETS	
Current Assets:	\$ 31,636,523
Cash and Cash Equivalents	2,034,131
Cash and Investments with Fiscal Agents	25.789
Receivables, Net	1,172
Advances to Employees	377.930
Inventory of Supplies	9,962
Prepaid Items	34,085,507
Total Current Assets	
Noncurrent Assets:	
Capital Assets:	44.040.400
Depreciable, Net	11,846,422
Total Noncurrent Assets	11,846,422
Total Assets	45,931,929
LIABILITIES	
Current Liabilities:	
Accounts Payable	3,062,634
Due to Other Funds	5,764
Claims Liabilities	6,999,942
Accrued Liabilities	45,518
Total Current Liabilities	10,113,858
Noncurrent Liabilities:	•
Claims Liabilities	1,871,058_
Total Noncurrent Liabilities	1,871,058
Total Liabilities	11,984,916
NET ASSETS	
Net Assets Invested in Capital Assets	11,846,422
Unrestricted	22,100,591
Total Net Assets	\$ 33,947,013

COUNTY OF LOUDOUN, VIRGINIA STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS PROPRIETARY - INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2005

Operating Revenues:	_	04.050.040
Charges for Services - Primary Government	\$	24,052,310
Charges for Services - Component Unit		58,494,131
Use of Property		110,082
Total Operating Revenues		82,656,523
Operating Expenses:		,
Claims		47,477,745
Personnel Services		3,073,023
Other Services and Charges		13,615,509
Materials and Supplies		5,296,025
Depreciation		3,877,671
Total Operating Expenses		73,339,973
Operating Income		9,316,550
Non-Operating Revenues:		400 507
Gain on Sale of Capital Assets		162,527
Net Income Before Operating Transfers		9,479,077
Transfers In		2,865,792
Change in Net Assets		12,344,869
Net Assets at Beginning of Year		21,602,144
Net Assets at End of Year	\$	33,947,013

COUNTY OF LOUDOUN, VIRGINIA STATEMENT OF CASH FLOWS PROPRIETARY - INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2005

Cash Flows from Operating Activities \$ 82,708,038 Receipts from Customers (18,611,330) Claims Paid (3,052,255) Payments to Employees (3,052,255) Net Cash Provided by Operating Activities 12,399,566 Cash Flows from Noncapital Financing Activities: 2,865,792 Transfers In 2,865,792 Net Cash Flows Provided by Noncapital Financing Activities 2,865,792 Cash Flows from Capital and Related Financing Activities: (5,344,681) Additions to Capital Assets 218,591 Proceeds from Sale of Capital Assets 218,591 Net Increase in Cash and Cash Equivalents 10,139,288 Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year 23,531,366 Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year \$ 33,670,654 Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income \$ 9,316,550 Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income \$ 9,316,550 Reconciliation of Operating Activities \$ 9,316,550	and the second s		
Payments to Suppliers for Goods and Services (18,611,330) Claims Paid (3,082,285) Payments to Employees (3,082,285) Net Cash Provided by Operating Activities 12,399,566 Cash Flows from Noncapital Financing Activities: 2,865,792 Transfers In 2,865,792 Net Cash Flows Provided by Noncapital Financing Activities: 2,865,792 Cash Flows from Capital and Related Financing Activities: (5,344,661) Additions to Capital Assets 218,591 Net Cash Flows Used in Capital and Related Financing Activities (5,126,070) Net Increase in Cash and Cash Equivalents 10,139,288 Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year 23,531,366 Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year \$ 33,670,654 Reconciliation of Operating Income to Net Cash Provided by Operating Activities: \$ 9,316,550 Operating Income \$ 9,316,550 Adjustment Not Affecting Cash: \$ 9,316,550 Operating Income \$ 9,316,550 Increase) Decrease in Assets and Increase (Decrease) in Liabilities: \$ 1,577 Receivable, Net (15,974)		\$	82.708.038
Claims Paid (48,614,857) Payments to Employees (3,082,285) Net Cash Provided by Operating Activities: Cash Flows from Noncapital Financing Activities: Transfers In Net Cash Flows Provided by Noncapital Financing Activities: Cash Flows from Capital and Related Financing Activities: Additions to Capital Assets Additions to Capital Assets Proceeds from Sale of Capital Assets Net Cash Flows Used in Capital and Related Financing Activities Activities: Additions to Capital Assets Proceeds from Sale of Capital Assets Net Cash Flows Used in Capital and Related Financing Activities Activities: Activities: Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income Adjustment Not Affecting Cash: Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Seceivable, Net		*	
Payments to Employees 12,399,566	·		
Net Cash Provided by Operating Activities: 12,399,566 Cash Flows from Noncapital Financing Activities: 2,865,792 Transfers In Net Cash Flows Provided by Noncapital Financing Activities 2,865,792 Cash Flows from Capital and Related Financing Activities: (5,344,661) Additions to Capital Assets (5,344,661) Proceeds from Sale of Capital Assets 218,591 Net Cash Flows Used in Capital and Related Financing Activities (5,126,070) Net Increase in Cash and Cash Equivalents 10,139,288 Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year 23,531,366 Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year \$ 33,670,654 Reconciliation of Operating Income to Net Cash Provided by Operating Activities: \$ 9,316,550 Operating Income \$ 9,316,550 Adjustment Not Affecting Cash:			
Cash Flows from Noncapital Financing Activities: Transfers In Net Cash Flows Provided by Noncapital Financing Activities Cash Flows from Capital and Related Financing Activities: Additions to Capital Assets Proceeds from Sale of Capital Assets Proceeds from Sale of Capital Assets Net Cash Flows Used in Capital and Related Financing Activities Net Cash Flows Used in Capital and Related Financing Activities Net Increase in Cash and Cash Equivalents Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income \$ 9,316,550 Adjustment Not Affecting Cash: Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies (15,974) Prepaid Items (9,442) Accounts Payable Accounts Payable Oue to Other Funds (6,340) Accrued Liabilities (1,137,112) Total Adjustments			12,399,566
Transfers In Net Cash Flows Provided by Noncapital Financing Activities 2,865,792 Cash Flows from Capital and Related Financing Activities: Additions to Capital Assets 218,591 Proceeds from Sale of Capital Assets 218,591 Net Cash Flows Used in Capital and Related Financing Activities (5,126,070) Net Increase in Cash and Cash Equivalents 10,139,288 Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year 23,531,366 Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year 33,670,654 Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income \$9,316,550 Adjustment Not Affecting Cash: Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies (15,974) Inventory of Supplies (9,442) Accounts Payable (9,442) Accounts Payable (6,340) Due to Other Funds (6,340) Accrued Liabilities (1,137,112) Total Adjustments	rect odding to vided by opening the transfer		
Transfers In Net Cash Flows Provided by Noncapital Financing Activities 2,865,792 Cash Flows from Capital and Related Financing Activities: Additions to Capital Assets 218,591 Proceeds from Sale of Capital Assets 218,591 Net Cash Flows Used in Capital and Related Financing Activities (5,126,070) Net Increase in Cash and Cash Equivalents 10,139,288 Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year 23,531,366 Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year 33,670,654 Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income \$9,316,550 Adjustment Not Affecting Cash: Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies (15,974) Inventory of Supplies (9,442) Accounts Payable (9,442) Accounts Payable (6,340) Due to Other Funds (6,340) Accrued Liabilities (1,137,112) Total Adjustments	Cash Flows from Noncapital Financing Activities:		
Cash Flows from Capital and Related Financing Activities: Additions to Capital Assets Proceeds from Sale of Capital Assets Net Cash Flows Used in Capital and Related Financing Activities (5,126,070) Net Increase in Cash and Cash Equivalents 10,139,288 Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year 23,531,366 Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income \$9,316,550 Adjustment Not Affecting Cash: Depreciation (increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies (15,974) Prepaid Items Accounts Payable 331,960 Accounts Payable 10,137,112) Accounts Payable 10,262 Claims Liabilities (1,137,112) Total Adjustments			
Additions to Capital Assets Proceeds from Sale of Capital Assets Net Cash Flows Used in Capital and Related Financing Activities Net Increase in Cash and Cash Equivalents Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income Adjustment Not Affecting Cash: Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net 151,515 Inventory of Supplies 9,9,442) Accounts Payable 331,960 Due to Other Funds 6,340, Accrued Liabilities 9,262) Claims Liabilities 1,137,112, Total Adjustments	Net Cash Flows Provided by Noncapital Financing Activities		2,865,792
Additions to Capital Assets Proceeds from Sale of Capital Assets Net Cash Flows Used in Capital and Related Financing Activities Net Increase in Cash and Cash Equivalents Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income Adjustment Not Affecting Cash: Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net 151,515 Inventory of Supplies 9,9,442) Accounts Payable 331,960 Due to Other Funds 6,340, Accrued Liabilities 9,262) Claims Liabilities 1,137,112, Total Adjustments			
Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income Adjustment Not Affecting Cash: Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies Proceeds from Sale of Capital Assets Provided by Operating Income (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies Prepaid Items Accounts Payable Due to Other Funds Accrued Liabilities Claims Liabilities Claims Liabilities (1,137,112) Total Adjustments 10,139,288 10,139,288 10,139,288 10,139,283 10,13			(E 244 CC1)
Net Cash Flows Used in Capital and Related Financing Activities (5,126,070) Net Increase in Cash and Cash Equivalents 10,139,288 Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year 23,531,366 Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year \$33,670,654 Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income \$9,316,550 Adjustment Not Affecting Cash: Depreciation 3,877,671 (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net 15,575 Inventory of Supplies 51,515 Inventory of Supplies 61,5974) Prepaid Items 69,442) Accounts Payable 331,960 Due to Other Funds 66,3400 Accrued Liabilities 61,137,112 Total Adjustments			• • • • •
Net Increase in Cash and Cash Equivalents Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year Salafon,654 Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income Adjustment Not Affecting Cash: Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies Prepaid Items Accounts Payable Due to Other Funds Accounts Payable Due to Other Funds Accounts Payable Claims Liabilities (1,137,112) Total Adjustments 10,139,288 10,13	Proceeds from Sale of Capital Assets		
Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year \$ 33,670,654 Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income Adjustment Not Affecting Cash: Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies Prepaid Items Accounts Payable Due to Other Funds Accrued Liabilities Claims Liabilities (9,262) Claims Liabilities Total Adjustments 23,531,366 \$ 33,670,654 \$ 9,316,550 \$ 1,515 \$ 1,515 \$ 1,515 \$ (9,442) \$ 331,960 \$ (6,340) \$ (6,340) \$ (9,262) Claims Liabilities \$ (1,137,112) Total Adjustments	Net Cash Flows Used in Capital and Related Financing Activities		(5,126,070)
Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year \$ 33,670,654 Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income Adjustment Not Affecting Cash: Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies Prepaid Items Accounts Payable Due to Other Funds Accrued Liabilities Claims Liabilities (9,262) Claims Liabilities Total Adjustments 23,531,366 \$ 33,670,654 \$ 9,316,550 \$ 1,515 \$ 1,515 \$ 1,515 \$ (9,442) \$ 331,960 \$ (6,340) \$ (6,340) \$ (9,262) Claims Liabilities \$ (1,137,112) Total Adjustments			10 139 288
Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income \$ 9,316,550 Adjustment Not Affecting Cash: Depreciation \$3,877,671 (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies \$1,515 (15,974) Prepaid Items \$(9,442) Accounts Payable \$(9,442) Accounts Payable \$(6,340) Due to Other Funds \$(9,262) Claims Liabilities \$(1,137,112) Total Adjustments	Net Increase in Cash and Cash Equivalents		10, 100,200
Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income \$ 9,316,550 Adjustment Not Affecting Cash: Depreciation \$3,877,671 (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies \$1,515 (15,974) Prepaid Items \$(9,442) Accounts Payable \$(9,442) Accounts Payable \$(6,340) Due to Other Funds \$(9,262) Claims Liabilities \$(1,137,112) Total Adjustments	Cook and Cook Equivalents (including those held with Fiscal Agents) at Beginning of Year		23,531,366
Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income \$9,316,550 Adjustment Not Affecting Cash: Depreciation 3,877,671 (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net 51,515 Inventory of Supplies (15,974) Prepaid Items (9,442) Accounts Payable 331,960 Due to Other Funds (6,340) Accrued Liabilities (9,262) Claims Liabilities (1,137,112) Total Adjustments	Cash and Cash Equivalents (Richarding those hold thins 1 local) (golder) at 2 5 5 mm/s		
Reconciliation of Operating Income to Net Cash Provided by Operating Activities: Operating Income \$9,316,550 Adjustment Not Affecting Cash: Depreciation 3,877,671 (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net 51,515 Inventory of Supplies (15,974) Prepaid Items (9,442) Accounts Payable 331,960 Due to Other Funds (6,340) Accrued Liabilities (9,262) Claims Liabilities (1,137,112) Total Adjustments	Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year	\$	33,670,654
Operating Income \$ 9,316,550 Adjustment Not Affecting Cash: 3,877,671 Depreciation 3,877,671 (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: 51,515 Receivable, Net (15,974) Inventory of Supplies (9,442) Prepaid Items (9,442) Accounts Payable 331,960 Due to Other Funds (6,340) Accrued Liabilities (9,262) Claims Liabilities (1,137,112) Total Adjustments 3,083,016			
Adjustment Not Affecting Cash:	Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Depreciation 3,877,671	Operating Income	\$	9.316.550
Depreciation 3,877,671			
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net			
Receivable, Net 51,515 Inventory of Supplies (15,974) Prepaid Items (9,442) Accounts Payable 331,960 Due to Other Funds (6,340) Accrued Liabilities (9,262) Claims Liabilities (1,137,112) Total Adjustments 3,083,016			111100000
Receivable, Net 51,515 Inventory of Supplies (15,974) Prepaid Items (9,442) Accounts Payable 331,960 Due to Other Funds (6,340) Accrued Liabilities (9,262) Claims Liabilities (1,137,112) Total Adjustments 3,083,016			111100000
Inventory of Supplies (15,974) Prepaid Items (9,442) Accounts Payable 331,960 Due to Other Funds (6,340) Accrued Liabilities (9,262) Claims Liabilities (1,137,112) Total Adjustments 3,083,016	Depreciation		111100000
Prepaid Items (9,442) Accounts Payable 331,960 Due to Other Funds (6,340) Accrued Liabilities (9,262) Claims Liabilities (1,137,112) Total Adjustments 3,083,016	Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities:		3,877,671
Accounts Payable 331,960 Due to Other Funds (6,340) Accrued Liabilities (9,262) Claims Liabilities (1,137,112) Total Adjustments 3,083,016	Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net		3,877,671 51,515
Due to Other Funds (6,340) Accrued Liabilities (9,262) Claims Liabilities (1,137,112) Total Adjustments 3,083,016	Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies		3,877,671 51,515 (15,974)
Accrued Liabilities (9,262) Claims Liabilities (1,137,112) Total Adjustments 3,083,016	Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies Prepaid Items		3,877,671 51,515 (15,974) (9,442) 331,960
Claims Liabilities (1,137,112) Total Adjustments 3,083,016	Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies Prepaid Items Accounts Payable		3,877,671 51,515 (15,974) (9,442) 331,960 (6,340)
Total Adjustments 3,083,016	Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies Prepaid Items Accounts Payable Due to Other Funds		3,877,671 51,515 (15,974) (9,442) 331,960 (6,340)
Net Cash Provided by Operating Activities \$\frac{12,399,566}{}\$	Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies Prepaid Items Accounts Payable Due to Other Funds Accrued Liabilities		3,877,671 51,515 (15,974) (9,442) 331,960 (6,340) (9,262) (1,137,112)
	Depreciation (Increase) Decrease in Assets and Increase (Decrease) in Liabilities: Receivable, Net Inventory of Supplies Prepaid Items Accounts Payable Due to Other Funds Accrued Liabilities Claims Liabilities Total Adjustments		3,877,671 51,515 (15,974) (9,442) 331,960 (6,340) (9,262) (1,137,112) 3,083,016



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COUNTY OF LOUDOUN, VIRGINIA STATEMENT OF FIDUCIARY NET ASSETS FIDUCIARY FUNDS AS OF JUNE 30, 2005

		Volunteer Private re and Rescue Purpose Fund Trust Funds		Purpose		Agency Funds
ASSETS	æ		\$	8,381	\$	21,160,912
Cash and Cash Equivalents	\$		Ψ	8,381		21,160,912
Investments, at Fair Value:						
Guaranteed Investment Accounts		4,904,041		•		-
Corporate Stocks		4,392,399		*		-
Other Investments		357,184		*		
		9,653,624				
Total Assets	\$	9,653,624	<u>\$</u>	8,381	<u> </u>	21,160,912
LIABILITIES						
Accounts Payable and Funds Held in Trust for Others	\$	-	\$	-	\$	21,160,912
Total Liabilities	\$	-	\$	*	\$	21,160,912
NET ASSETS						
Held in Trust for Pension Benefits and Other Purposes	\$	9,653,624	\$	8,381		

COUNTY OF LOUDOUN, VIRGINIA STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS FIDUCIARY FUNDS FOR THE YEAR ENDED JUNE 30, 2005

	-	olunteer and Rescue Fund	Private Purpose Trust Funds			
ADDITIONS	\$	623,238	\$	-		
Employer Contributions - Annual Required Contribution	Ψ	8,000	•	_		
Employer Contributions - Administrative Fees Investment Earnings - Interest		484,792		166		
Total Additions		1,116,030		166		
DEDUCTIONS						
Benefits				-		
Administrative Expense				-		
Total Deductions		627,408				
Change in Net Assets		488,622		166		
Net Assets at Beginning of Year		9,165,002		8,215		
Net Assets at End of Year	\$	9,653,624	\$	8,381		
Benefits Administrative Expense Total Deductions Change in Net Assets Net Assets at Beginning of Year	\$	9,165,002	\$	8,		

COUNTY OF LOUDOUN, VIRGINIA

NOTES TO FINANCIAL STATEMENTS June 30, 2005

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County of Loudoun, Virginia (the County), have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles for state and local governmental entities. Significant accounting policies of the County are described below.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

(A) REPORTING ENTITY

The County is a political subdivision of the Commonwealth of Virginia (the State), governed by a nine member elected Board of Supervisors and an appointed County Administrator. As required by GAAP, the financial statements present the government (the Primary Government) and its component unit, the Loudoun County Public School System (the Schools). The County of Loudoun, Virginia, reporting entity is determined upon the evaluation of certain criteria established by GASB.

Component Units - Component Units are entities for which the primary government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. The County has no component units that meet the requirements for blending. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide statements to emphasize they are legally separate from the government. The Loudoun County School Board, described below, is the only component unit of the County.

The Loudoun County School Board - The Schools are responsible for elementary and secondary education within the County's jurisdiction. Members of the Schools' governing board (the School Board) are elected. They were most recently elected in November 2003 and assumed their responsibilities on January 1, 2004. The Schools are fiscally dependent upon the County because the County's Board of Supervisors approves the School's budget, levies taxes (if necessary), and issues bonds for School capital projects and improvements. The Schools do not issue separate financial statements.

(B) BASIS OF PRESENTATION

The financial statements of the County report activities of the primary government and its component unit, the Loudoun County School Board. These statements include the following components.

Management's Discussion and Analysis – The financial statements are accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "management's discussion and analysis" (MD&A). This analysis is similar to the analysis private sector companies provide in their annual reports.

Government-wide Financial Statements – The financial statements are prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities, but also capital assets and long-term liabilities (such as buildings and general obligation debt). Accrual accounting also reports all of the revenues and costs of providing services each year, not just those received or paid in the current year or soon thereafter.

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all nonfiduciary activities of the primary government and its component units. Governmental Activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from legally separate component units for which the primary government is financially accountable.

Statement of Net Assets – The Statement of Net Assets displays the financial position of the primary government and its discretely presented component units. Governments report all capital assets in the government-wide Statement of Net Assets and report depreciation expense – the cost of "using up" capital assets – in the Statement of Activities. The net assets of a government are broken down into three categories: 1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted.

<u>Statement of Activities</u> – The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The County does not allocate indirect expenses to the governmental functions.

<u>Fund Financial Statements</u> - Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

- <u>General Fund</u> This fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted in another fund.
- <u>Capital Projects Fund</u> This fund is used to account for the purchase and/or construction of major capital
 facilities, including buildings, land, major equipment and other long-lived improvements for the general
 government. Financing is provided primarily by bond issues, State and Federal grants, and transfers from
 the General fund.
- <u>Debt Service Fund</u> This fund is used to account for the resources accumulated and payments made for principal, interest, and related costs on long-term general obligation debt of governmental funds.

All other nonmajor governmental funds are reported in a single column captioned "Other Governmental Funds" and consist of special revenue funds, a capital asset replacement fund, and permanent funds.

Proprietary funds are used to account for operations that are financed in a manner similar to private business enterprises. The proprietary fund measurement focus is upon determination of net income, financial position, and cash flows. Cash and temporary investments related to these proprietary funds are all highly liquid cash equivalents. The County's proprietary funds consist solely of its internal service funds (the Central Services Fund and the Self-Insurance Fund). These funds are included in the governmental activities for government-wide reporting purposes. All significant interfund activity has been eliminated. The excess revenue or expenses for these funds are allocated to the appropriate functional activity. The operations of these funds are generally intended to be self-supporting.

The government reports the following proprietary funds:

- <u>Central Services Fund</u> This fund is used to account for the financing of goods or services provided among County departments on a cost-reimbursement basis and includes such activities as central duplicating, telephone, mail, support, and fleet management services.
- <u>Self Insurance Fund</u> This fund is used to account for the accumulation of resources to pay for losses
 incurred by the partial or total retention of loss rather than transferring that risk to a third party through the
 purchase of commercial insurance, and includes such uninsured risks as health, workers' compensation,
 and vehicle self-insurance programs.

Additionally, the government reports the following Fiduciary funds:

- <u>Pension Trust Fund</u> This fund is used to account for the activities of the Public Safety Employees Retirement System, which accumulates resources for pension benefit payments to qualified public safety employees.
- <u>Private-purpose Trust Funds</u> These funds are used to account for the assets received and disbursed by the County acting in a trustee capacity or as an agent for individuals, private organizations or governments.
- Agency Funds These funds are used to account for monies received, held and disbursed on behalf of certain welfare recipients, certain developers, certain employee benefits, and certain inmates at the time of incarceration.

In accordance with the provisions of GASB Statement No. 20, <u>Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting</u>, (GASB No. 20) the County continues to apply all applicable GASB pronouncements and has elected to apply only those Financial Accounting Standards Board Statements and Interpretations, APB Opinions and Accounting Research Bulletins, issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes.

Amounts reported as *program revenue* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the government's internal service funds are charges to the County departments on a cost-reimbursement basis for goods or services provided, and include such activities as central duplicating, telephone, mail, support, and fleet management services. Revenue for the self-insurance fund is derived primarily from payroll deduction. Operating expenses for internal service funds include the cost of sales and services, administrative expenses, insurance claims, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgetary Comparison Schedules – Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Governments provide budgetary comparison information in their annual reports, including the government's original budget to the comparison of final budget and actual results. The County's budgetary comparison schedules are reported as required supplementary information following the notes to the financial statements.

(C) MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Basis of accounting refers to the timing when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements regardless of the measurement focus applied.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Agency funds within fiduciary fund financial statements are reported using the accrual basis of accounting. However, there is no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available. Accordingly, real and personal property taxes are recorded as deferred revenues and property taxes receivable when billed, net of allowances for uncollectible amounts of \$1,601,660 as of June 30, 2005. Real and personal property taxes recorded at June 30, and received within the first 60 days after year-end are included in tax revenues, with the related amount reduced from deferred revenues. Sales and utility taxes, which are collected by the Commonwealth of Virginia or utility companies and subsequently remitted to the County, are recognized as revenues and amounts receivable when the underlying exchange transaction occurs, which is generally one to two months preceding receipt by the County. Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of Federal, State and other grants for the purpose of specific programs are recognized when earned or at the time of the specific reimbursable expenditure. Revenues from general purpose grants are recognized during the period to which the grants apply. Expenditures are recognized when the related fund liability is incurred, except for principal and interest on long-term debt, which is recognized when due.

The property tax calendar is as follows:

 Real Property
 Personal Property

 Lien Date
 Jan 5/Jul 5
 Nov 5/Jun 5

 Assessment Date
 Jan 1
 Jan 1

 Levy Date
 Apr 1
 Mar 1

 Due Date and Collection Date
 Jun 5/Dec 5
 Oct 5/May 5

(D) BUDGETS

Budgets are prepared and adopted on a basis consistent with GAAP. Annual appropriation resolutions and budgets are adopted for the Primary Government's General, Special Revenue, and Debt Service Funds and the School's Operating and Debt Service Funds. The proposed budget also includes a recommended program of capital expenditures to be financed from current operations and a separate six-year capital improvement plan. All annual appropriations lapse at fiscal year-end with the exception of the Capital Project Funds, for which project-length budgets are adopted.

Encumbrances represent goods or services that have been contracted and are funded, however, these goods or services have not been received or performed. Encumbrances do not constitute an expenditure. The budget of any funds encumbered at the end of the fiscal year carries over into the next fiscal year.

(E) CASH AND TEMPORARY INVESTMENTS

Within cash and temporary investments the County includes amounts in demand deposits as well as short-term investments with a maturity date generally within three months of the date acquired by the County.

Investments are stated at fair value.

For the Capital Projects and Debt Service Funds, interest income on cash held with fiscal agents and trustees is recorded within these respective funds.

The County records short-term investments at cost, which approximates fair value.

All interest is credited to the General Fund, unless law or Board of Supervisors Action requires allocation. Allocation, when required, is based on the monthly interest rate earned on funds invested with the Local Government Investment Pool (LGIP).

(F) RECEIVABLES AND PAYABLES

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

(G) INVENTORIES OF SUPPLIES

Inventories are valued at the lower of cost or market, using the first-in/first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed.

(H) PREPAID ITEMS

Prepaid items are payments made to vendors for services that will benefit periods after June 30, 2005.

(I) NONCURRENT NOTES AND LOANS RECEIVABLE

Noncurrent portions of long-term notes and loans receivables, net of allowances, are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources, therefore, are not available for appropriation.

(J) CAPITAL ASSETS

Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as land, buildings, road registered vehicles, and equipment with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The County does not have any infrastructure to be included in the financial statements, as substantially all such assets are owned by the Commonwealth of Virginia.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government, as well as the School Board, is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	45
Building Improvements	15-25
Vehicles	5
Office Equipment	5-10
Computer Equipment	5

(K) COMPENSATED ABSENCES

1. Primary Government Employees - In 1994, the Primary Government adopted a policy under which employees can accumulate and be paid-out upon employment separation, a maximum of 364 hours of earned but unused annual (vacation) leave. Employees with accrued balances in excess of 364 hours may utilize their accumulated balances in excess of 364 hours prior to December 31. Annual leave hours accrued in excess of 364 hours by each employee during each year are calculated at December 31, with the Primary Government converting those excess hours into additional sick leave hours.

In 2004, the Primary Government adopted a policy under which non-exempt employees will receive payment at year-end for unused exchange time, with the exception of exchange time earned during the last two full pay periods of the leave year, which will carryover to the following year. Non-exempt employees will receive payment of all exchange time leave balances upon separation from County employment.

Effective July 1, 2001, employees with 10 years of service are compensated for unused sick leave when they leave County employment. Employees meeting this criteria will be compensated for 25% of unused sick leave to a maximum amount of \$10,000 per individual.

2. School System Employees - School employees, other than teachers, are allowed to accumulate a maximum of 480 hours of vacation leave, which will be paid-out upon employment separation. Teachers do not accumulate annual leave. Additionally, all School employees with ten or more years of service are compensated for a portion of earned, but unused sick leave upon employment separation to a maximum amount of \$10,125 per individual.

(L) LONG-TERM OBLIGATIONS

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, or proprietary fund statement of net assets. Bond premiums are deferred and amortized over the life of the bonds, using the proportionate to stated interest requirements method.

In the fund financial statements, governmental funds recognize bond premiums during the current period. The face amount of debt issues is reported as other financing sources. Premiums received on debt issuances are also reported as other financing sources.

(M) FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

NOTE II - LEGAL COMPLIANCE - FUND DEFICITS

As of June 30, 2005, the following funds had deficit fund balances:

- Route 28 Special Improvements Fund Deficit fund balance of \$10,306 is due to prepaid revenue (2nd half 2005 taxes) that was collected and remitted to the Commonwealth of Virginia.
- <u>Community Development Fund</u> Deficit fund balance of \$11,389 will be eliminated through the scheduled payments of the Community Development Block Grant loans.
- <u>Legal Resource Center Fund</u> Deficit fund balance of \$6,955 is due to a revenue short fall in fiscal year 2005. Steps have been taken in fiscal year 2006 to correct this shortfall and eliminate the deficit.

NOTE III - BANK DEPOSITS AND INVESTMENTS

For the fiscal year ended June 30, 2005, the County implemented GASB Statement No. 40, Deposit and Investment Risk Disclosures.

Investment Policy

In accordance with the Code of Virginia, the County's Investment Policy (Policy), as adopted by the County Board of Supervisors on April 19, 2005, permits investments in U.S. Government obligations, obligations of the Commonwealth of Virginia or political subdivisions thereof, prime quality commercial paper, bankers acceptances, repurchase agreements, certificates of deposit (negotiable and non negotiable), mutual funds, and the State Treasurer's Local Government Investment Pool (the Virginia LGIP).

The Policy is written encompassing the General Operating Fund, applicable Trust funds and the Proffer funds. The County retirement fund and bond funds are covered under the County's Fiscal Policy.

The primary objective of the policy is the safety of principal by minimizing credit risk and interest rate risk. The Policy establishes limitations on the holdings of investments of non-U.S. Treasury obligations. The maximum percentage of the portfolio (book value at the date of acquisition) permitted in each security is as follows:

Investment Type	Maximum Diversification	Limits Within Investment Type
State of Virginia LGIP	75% of Portfolio	
U.S. Treasury Obligations	100% of Portfolio	
U.S. Government Agencies	50% of Portfolio	
Repurchase Agreements	60% of Portfolio	Maximum of 60% of total portfolio with one institution
Bankers' Acceptances (BA's)	40% of Portfolio	Rated B or better in Thompson BankWatch Fitch as well as Highline rating of 40 or better
Commercial Paper (CP's)	35% of Portfolio	Maximum 5% of the total portfolio in any one issuing corporation and rating of A-1 P-1 or better. Fitch and Duff and Phelps rating not considered.
Certificates of Deposit - Commercial Banks	90% of Portfolio	All banks must have highline rating of 40 or better and comply with the Virginia Public Deposit Act and collateral requirements. Maximum 50% of the total porfolio in any one institution.
Certificates of Deposit - Savings and Loans Associations	10% of Portfolio	No more than \$100,000 in any one institution
Money Market funds (Open Ended Investments funds)	50% of Portfolio	

Although permitted by state code, the County limits its exposure to interest rate risk and credit risk by disallowing investment in derivatives, bank notes, corporate notes, mortgage backed securities, asset backed securities, non-prime commercial paper, or stocks of other political subdivisions. The county also excludes any foreign related investments in its portfolio.

The County limits exposure to interest rate risk by limiting the length to maturity of investments purchased. The Policy permits 15% of the General Fund portfolio to be invested to a maximum of 24 months with the remaining 85% maturing within 13 months. The Proffer Fund permits 20% of the portfolio to be invested to a maximum of 24 months with the remaining 80% maturing within 13 months.

Credit Risk:

As required by the Code of Virginia and Policy, commercial paper must have a short-term debt rating of no less than "A-1" (or its equivalent) from Standard & Poor's and no less than "P-1" from Moody's. Investments made with banks, including certificates of deposits or bankers acceptances, must be rated 40 or higher on Highline and be a qualified Virginia depository.

As of June 30, 2005, the Portfolio was invested as follows:

- 16.1% of the portfolio was invested in "AAA" rated obligations
- 10.9% was invested in "AA" rated securities
- 17.75% was invested in "A-1" "P-1" or better commercial paper
- 27.05% was invested in "AAAm" rated state run pooled money market fund.

The remaining 28.20% was invested in obligations guaranteed by the U.S. Government and held in fully collateralized banks as required by the Virginia Public Depository Act.

All credit ratings are Standard & Poor's ratings.

Concentration of Credit Risk

As of June 30, 2005, the portion of the County's portfolio, excluding the Virginia LGIP and U.S. Government guaranteed obligations, that exceed 5% of the total portfolio are as follows:

Issuer	% of Portfolio
Federal Home Loan Mortgage Corporation	6.30%
Wachovia Bank Bankers Acceptance	5.81%
Bank of America Bankers Acceptance	6.05%
James Monroe Bank CD (fully collateralized)	8.50%
BB&T CD (fully collateralized)	10.63%
Middleburg Bank (fully collateralized)	6.87%

Interest Rate Risk

The County invests using a passive style of management whereby securities are bought with the intention of holding them until maturity and with the assumption that all securities will not be called.

The County has purchased securities whereby the interest rate steps up on a periodic basis as detailed in the securities prospectus. The incremental steps are fixed amounts that increase over time with no direct correlation to a market index. All these securities are callable, yet assumed to be held through maturity.

As of June 30, 2005 the following securities had a step increase for coupon payments.

Fund	Maturity Date	Issue	Fair Value	Par/Cost	Yield	Step Features
General Fund	12/29/05	FHLB	\$2,993,430	\$3,000,000	2.94%	2.5% thru 3/05, 2.75% thru 6/05, 3.00% thru 9/05, 3.5% thru 12/05
	01/05/07	FHLB	2,983,140	3,000,000	3.34%	Coupon 2.78% to 7/05; Reset Semi-Annually @ 3%, 3.5%, 4%
Proffer Fund	05/24/06	FHLB	2,996,250	3,000,000	3.78%	Coupon 3.20% to 6/05; Reset Monthly +10 Basis Points to 5/24/06
	06/22/06	FHLB	2,995,320	3,000,000	4.01%	Coupon 3.25% to 7/05; Reset Monthly +10 Basis Points to 6/22/06
	12/29/06	FHLMC	4,991,200	5,000,000	3.73%	Coupon 2.75% to 6/05; Reset Semi-Annually @ 3.25%, 4%, 5%
	05/24/07	FHLB	2,999,070	3,000,000	4.42%	Coupon 3.25% to 6/05; Reset Monthly +10 Basis Points to 5.5%

On June 30, 2005, the County had the following deposits and investments and the related maturities (refer to Cash and Cash Equivalents in Exhibit I and Exhibit X):

			Maturity				
		Less Than	Between	Between			
Investment Type	Carrying Value	6 Months	6 - 13 Months	13 - 24 Months			
Bank Deposits	\$ 63,232	\$ 63,232	\$ -	\$ -			
Money Market Funds (LGIP)	114,558,746	114,558,746	-				
Certificates of Deposit - Commercial Banks	119,079,376	67,000,000	49,000,000	3,079,376			
U.S. Government Agencies	68,186,036	25,726,291	31,459,745	11,000,000			
Bankers Acceptances	46,397,278	46,397,278					
Commercial Paper	75,151,407	62,489,746	12,661,661	-			
Total Deposits and Investments	\$ 423,436,075	\$ 316,235,293	\$ 93,121,406	\$ 14,079,376			

Custodial Credit Risk

The Code of Virginia and Policy requires all deposit and investments securities be held by a third party in the County's name. This third party may not be a counterparty to the investment transaction.

As of June 30, 2005, all of the County's securities, other than bank certificates of deposit, were held in a the County's name in a highly rated bank's safekeeping department.

All County deposits are held in Qualified Virginia Depositories, as required by the Virginia Public Deposit Act and the Policy. Additionally, the County requires depositories maintain a Highline National rating of 40 or higher. These ratings are issued and reviewed quarterly.

NOTE IV - DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

(A) RECEIVABLES

Receivables at June 30, 2005 are as follows:

	Taxes	Accounts		Due from Other Governments		Total Receivables	
Governmental Activities:							
General Fund	\$ 283,831,958	\$	1,942,885	\$	12,483,140	\$	298,257,983
Capital Projects Fund			8,589		614,157		622,746
Other Governmental Funds	869,976		1,175,191		1,592,474		3,637,641
Internal Service Funds	 -		25,789		-		25,789
Total Governmental Activities	\$ 284,701,934	\$	3,152,454	\$	14,689,771	\$	302,544,159
Component Unit - Schools	\$ w :	\$	353,502	\$	8,172,508	\$	8,526,010

(B) PAYABLES

Payables at June 30, 2005 are as follows:

	Vendors	Salar	ies and Benefits	Ac	crued Interest	Т	otal Payables
Governmental Activities: General Fund	\$ 4,544,923	\$	5,548,382	\$	-	\$	10,093,305
Capital Projects Fund	 5,891,920		2,214		-		5,894,134
Debt Service Fund	150		-		10,469,964		10,470,114
Other Governmental Funds	3,810,021		192,098		-		4,002,119
Internal Service Funds	 3,062,634		45,518		-		3,108,152
Total Governmental Activities	\$ 17,309,648	\$	5,788,212	\$	10,469,964	\$	33,567,824
Component Unit - Schools	\$ 28,593,088	\$	29,699,105	\$	328,266	\$	58,620,459

NOTE V - INTERFUND BALANCES

Due to/from balances represent amounts paid by one entity on behalf of the other entity. Individual interfund balances at June 30, 2005 consist of the following:

		DUE TO
DUE FROM	G	eneral Fund
Legal Resource Center Fund	\$	223
Rental Assistance Program Fund		547,967
State and Local Emergency Preparedness Fund	I	113,715
Transportation District Fund		3,862,689
Internal Service - Central Services - Central Support Fund	Ī	5,764
Total Primary Government	\$	4,530,358

NOTE VI - INTERFUND TRANSFERS

The primary purpose of interfund transfers is to provide funding for operations and capital projects. Interfund transfers for the year ended June 30, 2005 consist of the following:

		TRANSFER FROM						
		General Fund	Del	ot Service Fund		Nonmajor Governmental		Total
	General Fund	\$ _	\$	-	\$	2,213,206	\$	2,213,206
<u>۱</u>	Capital Projects Fund	25,043,000		22,546,031		18,386,655		65,975,686
FER	Debt Service Fund	63,306,538		-		-		63,306,538
S	Nonmajor Governmental Funds	5,677,497		_		410,803		6,088,300
A A	Internal Service Funds	2,606,854		-		258,938		2,865,792
#	Total Primary Government	\$ 96,633,889	\$	22,546,031	\$	21,269,602	\$	140,449,522

NOTE VII - CAPITAL ASSETS

Capital assets activity for the primary government for the year ended June 30, 2005 is as follows:

		Pi	rimary Governme	nt	
	Balance July 1, 2004	Additions/ Increases	Retirements/ Decreases	Transfer	Balance June 30, 2005
Capital Assets Not Being Depreciated:					
Land	\$ 59,792,237	\$ 17,119,780	\$ -	\$ 15,000	\$ 76,927,017
Construction in Progress	42,989,062	23,520,300	-	(4,874,635)	61,634,727
Total Capital Assets Not Being Depreciated	\$ 102,781,299	\$ 40,640,080	\$ -	\$ (4,859,635)	\$ 138,561,744
Other Capital Assets:					
Buildings	\$ 95,758,294	\$ 1,153,914	\$ -	\$ 1,017,131	\$ 97,929,339
Improvements Other Than Buildings	12,042,332	6,669	-	-	12,049,001
Equipment	81,103,373	9,699,922	(2,989,441)	3,912,207	91,726,061
Infrastructure	384,421	138,060		-	522,481
Total Other Capital Assets	\$ 189,288,420	\$ 10,998,565	\$ (2,989,441)	\$ 4,929,338	\$ 202,226,882
Less Accumulated Depreciation for:					
Buildings	\$ (20,837,265)	\$ (2,268,707)	\$ -	\$ (54,703)	\$ (23,160,675)
Improvements Other Than Buildings	(6,224,403)	(1,172,835)	-	-	(7,397,238)
Equipment	(41,297,850)	(9,922,463)	2,710,199	-	(48,510,114)
Infrastructure	*	(12,814)	-		(12,814)
Total Accumulated Depreciation	\$ (68,359,518)	\$ (13,376,819)	\$ 2,710,199	\$ (54,703)	\$ (79,080,841)
Other Capital Assets, Net	\$ 120,928,902	\$ (2,378,254)	\$ (279,242)	\$ 4,874,635	\$ 123,146,041
Total Capital Assets	\$ 223,710,201	\$ 38,261,826	\$ (279,242)	\$ 15,000	\$ 261,707,785

Primary government capital assets, net of accumulated depreciation, at June 30, 2005 are comprised of the following:

Total Capital Assets, Net	\$ 261,707,785
Internal Service Fund Capital Assets, Net	11,846,422
General Capital Assets, Net	\$ 249,861,363

Depreciation was charged to governmental functions as follows:

General government administration	\$ 5,884,965
Judicial administration	211,733
Public safety	2,366,585
Public works	2,175,342
Health and welfare	332,600
Parks, recreation and culture	2,307,261
Community development	98,333
Total Depreciation	\$ 13,376,819

Capital asset activity for the Schools for the year ended June 30, 2005 is as follows:

		Con	npor	nent Unit - Sc	hools	
	Balance July 1, 2004	Additions/ Increases		Retirements/ Decreases	Transfer	Balance June 30, 2005
Capital Assets Not Being Depreciated:			Γ			
Land	\$ 43,547,599	\$ -	\$	(140,000)	\$ (15,000)	\$ 43,392,599
Construction in Progress	271,982,194	109,782,172		-	(101,704,810)	280,059,556
Total Capital Assets Not Being						
Depreciated	\$ 315,529,793	\$109,782,172	\$	(140,000)	\$(101,719,810)	\$ 323,452,155
Other Capital Assets:						
Buildings	\$ 455,431,576	\$ 4,339,379	\$	-	\$ 93,945,720	\$ 553,716,675
Improvements Other Than Buildings	762,409	*		-	-	762,409
Equipment	65,147,434	11,348,919		(1,656,110)	7,704,387	82,544,630
Total Other Capital Assets	\$ 521,341,419	\$ 15,688,298	\$	(1,656,110)	\$ 101,650,107	\$ 637,023,714
Less Accumulated Depreciation for:						
Buildings	\$ (80,948,358)	\$ (10,471,098)	\$	-	\$ 54,703	\$ (91,364,753)
Improvements Other Than Buildings	(579,041)	(59,578)		-	-	(638,619)
Equipment	(37,819,603)	(8,799,347)		1,628,400	*	(44,990,550)
Total Accumulated Depreciation	\$ (119,347,002)	\$ (19,330,023)	\$	1,628,400	\$ 54,703	\$(136,993,922)
Other Capital Assets, Net	\$ 401,994,417	\$ (3,641,725)	\$	(27,710)	\$ 101,704,810	\$ 500,029,792
Total Capital Assets	\$ 717,524,210	\$106,140,447	\$	(167,710)	\$ (15,000)	\$ 823,481,947

All depreciation was charged to education.

Construction in progress and construction commitments are composed of the following:

		7	Transferred to	С	onstruction In		Construction	R	emaining to Be
	Program	Fi	ixed Assets by		Progress At	Co	mmitments At		Committed At
	Authorization	J	une 30, 2005	J	une 30, 2005	j	une 30, 2005	J	une 30, 2005
General Government Administration	\$ 66,828,459	\$	62,614,070	\$	165,964	\$	112,579	\$	3,935,846
Judicial Administration	30,846,881		328,177		28,529,580		967,855		1,021,269
Public Safety	108,837,815		22,503,273		23,104,243		6,061,546		57,168,753
Public Works	48,789,067		25,357,921		89,538		451,870		22,889,738
Health and Welfare	4,427,534		1,311,505		44,071		12,012		3,059,946
Parks, Recreation and Culture	103,410,650		27,026,365		9,701,331		21,738,813		44,944,141
Total Primary Government	\$ 363,140,406	\$	139,141,311	\$	61,634,727	\$	29,344,675	\$	133,019,693
Education	\$1,027,224,616	\$	536,321,817	\$	280,059,556	\$	45,878,695	\$	164,964,548
Total Component Unit-Schools	\$1,027,224,616	\$	536,321,817	\$	280,059,556	\$	45,878,695	\$	164,964,548

NOTE VIII - RISK MANAGEMENT

The County General Government's automobile liability, general liability and public officials protection are administered through the Virginia Association of Counties (VACO). These agreements have a \$10 million per occurrence limit. The general liability protections have a \$10 million aggregate limit. Both automobile and general liability policies have \$100,000 retention. Member jurisdictions contribute to the pool based on their size and past claims experience. The County is also insured for constitutional officers and law-enforcement liability risk through the State Division of Risk Management. These programs have a \$1 million per occurrence limit and insure the County Sheriff's Department, other County enforcement agencies, and all elected constitutional officers and their employees against certain types of claims. Claims that arose from incidents occurring prior to the existence of all the foregoing agreements are covered under the County's previous commercial insurance programs.

The Loudoun County School Board's property and liability insurance program is provided through membership in the Virginia Municipal Liability Pool. Member jurisdictions contribute to the pool based on their risk exposures and past claims experience. The property coverage program consists of blanket replacement cost business real and personal property insurance, boiler and machinery insurance, comprehensive crime and employee dishonesty insurance, and automobile physical damage insurance. The business real and personal property insurance carries a \$5,000 deductible per occurrence with the balance of the property coverages carrying a \$2,500 deductible per occurrence. The liability insurance program consists of first dollar insurance for general liability, school board legal professional liability, automobile liability, and excess liability for a total limit of \$10 million per occurrence (no annual aggregate, deductible or retention applies). Claims that arose from incidents occurring prior to the existence of all the foregoing agreements are covered under the Schools' previous commercial insurance programs.

In 1989, the County received a Certificate as a Qualified Self-Insurer from the Virginia Workers Compensation Commission. At that time, the County began to self-insure general government workers' compensation. At the same time, the County purchased excess and employers liability insurance from the Employers Reinsurance Corporation, limiting individual claims against the self-insurance program to \$400,000. A reserve for pending claims and incurred but not reported claims has been accrued as a liability within the self-insurance funds as an estimate based on information received from the County's outside actuary, AON.

In 1990, the School Board received a Certificate as a Qualified Self-Insurer from the Virginia Workers' Compensation Commission. At that time, the Schools began to self-insure statutory workers' compensation and employer's liability coverages. At the same time, the Schools purchased excess workers' compensation and employer's liability insurance from the Employers Reinsurance Corporation which has sold their book of business to Safety National Insurance Company in 2005. This excess insurance provides \$25,000,000 of coverage and limits individual claims against the self-insurance program with a current specific retention level of \$400,000 per occurrence. A reserve for pending claims and incurred but not reported claims has been accrued as a liability within the self-insurance funds as an estimate based on information received from the County's outside actuary, AON. Workers' Compensation claims that arose from incidents occurring prior to the self-insured program are covered under the Schools' previous commercial insurance carrier. A reserve for pending claims and incurred but not reported claims has been accrued as a liability within the self-insurance funds as an estimate based on information received from the County's outside actuary, AON.

The County General Government and Component Unit-Schools contract with a third party administrator to adjust workers' compensation claims, provide underwriting services, and recommend reserve levels, including claims reported but not settled. Claims not closed out at January 1, 1990, remain with the Virginia Municipal Group Self-Insurance Association. All other property and casualty insurance either has been, or is expected to be renewed as it becomes due. The following table shows the amounts that have been accrued for workers' compensation as a liability within the self-insurance fund. The General Government's administrator is currently Accordia Employers Service and until January 1, 2005 was Landin, Inc. The Component Unit-Schools' administrator is Virginia Association of Counties (VACO).

	WORKERS' COMPENSATION				
	Primary Government	Component Unit - Schools	Total		
Fiscal Year 2005 Unpaid Claims Beginning of Fiscal Year	\$ 2,943,649	\$ 1,634,247	\$ 4,577,896		
Incurred Claims (Including IBNR)	886,469	845,265	1,731,734		
Claim Payments	(1,054,174)	(941,163)	(1,995,337)		
Unpaid Claims End of Fiscal Year	\$ 2,775,944	\$ 1,538,349	\$ 4,314,293		
Fiscal Year 2004 Unpaid Claims Beginning of Fiscal Year	\$ 2,822,935	\$ 1,259,696	\$ 4,082,631		
Incurred Claims (Including IBNR)	1,609,158	847,441	2,456,599		
Claim Payments	(1,488,444)	(472,890)	(1,961,334)		
Unpaid Claims End of Fiscal Year	\$ 2,943,649	\$ 1,634,247	\$ 4,577,896		

On October 1, 1994, the County General Government and Component Unit - Schools began to self-insure health care for all eligible employees and all retirees. Eligible employees are regular staff and long-term full-time temporary employees. Eligible retirees include all retirees who immediately begin drawing a retirement annuity from the Virginia Retirement System. Employer contribution rates for employees vary depending on scheduled hours. Employer contribution rates for retirees vary based on the type of retirement, years of service, and type of coverage. The health insurance plan is a point of service plan. In-network services are covered with a \$10 co-pay for Primary Care Physician, \$15 for Specialists. Participants have an option to receive services out-of-network, subject to a \$200 deductible and 10% co-insurance. Prescription drugs, dental, and vision services are covered as part of the plan. The County has purchased specific stop loss insurance from Mid Atlantic Medical Services, Inc., (MAMSI) limiting claims against the self-insurance program to \$100,000 per occurrence for individual claims. The following table shows the amounts that have been accrued as a liability within the self-insurance fund based upon an estimate from the County's outside actuary.

	HEALTH INSURANCE			
	Primary Government	Component Unit - Schools	Total	
Fiscal Year 2005				
Unpaid Claims Beginning of Fiscal Year	\$ 1,346,467	\$ 4,083,749	\$ 5,430,216	
Incurred Claims (Including IBNR)	13,188,625	32,302,640	45,491,265	
Claim Payments	(13,242,243)	(33,122,531)	(46,364,774)	
Unpaid Claims End of Fiscal Year	\$ 1,292,849	\$ 3,263,858	\$ 4,556,707	
Fiscal Year 2004				
Unpaid Claims Beginning of Fiscal Year	\$ 985,256	\$ 2,072,606	\$ 3,057,862	
Incurred Claims (Including IBNR)	12,691,358	29,270,694	41,962,052	
Claim Payments	(12,330,147)	(27,259,551)	(39,589,698)	
Unpaid Claims End of Fiscal Year	\$ 1,346,467	\$ 4,083,749	\$ 5,430,216	

The County General Government's and Component Unit-Schools' health insurance administrator was MAMSI, a third party administrator until August 31, 2005. MAMSI is contracted to process health insurance claims, provide underwriting services, recommend reserve levels, including claims reported but not settled. Delta Dental is the third party administrator for dental

benefits and ECPA is the third party administrator for visions benefits. Beginning September 1, 2005, Cigna became the third party administrator for health insurance claims and Davis Vision for vision benefits.

The Board of Supervisors has the authority to modify the provisions of the County's post-employment benefit program. As of June 30, 2005, 174 retirees or individuals who qualify for disability, met the eligibility requirements for program participation. During FY2005, expenditures of \$789,500 were recorded for post-retirement health care benefits. This amount represents 74.28% of total contributions under the program. These amounts are not accrued over the employees' time of service, but are rather expensed when incurred. There were no significant reductions in insurance coverage from prior years, nor have settlements exceeded insurance coverage for the past three years.

NOTE IX - OPERATING LEASES

The County has various long-term non-cancelable operating lease agreements for property and equipment, which expire through fiscal year 2010. Total costs for such leases were \$6,241,922 for fiscal year 2005. Property leases generally provide renewal options and increases based on the Consumer Price Index. The Component Unit-Schools has no operating lease agreements as of June 30, 2005. Non-cancelable operating leases include the following minimum annual rental payments as of June 30, 2005:

Fiscal Year	Primary Government
2006	\$ 4,855,726
2007	2,627,137
2008	2,085,047
2009	1,235,372
2010	900,446
Total	\$ 11,703,728

NOTE X - CAPITAL LEASES

Capital leases for property and equipment include the following minimum annual lease payments as of June 30, 2005.

Fiscal Year	Primary Government	Component Unit-School		
2006	\$ 4,435,873	\$ 5,687,666		
2007	4,437,172	4,525,099		
2008	4,650,948	4,470,936		
2009	11,656,047	2,233,211		
2010	5,664,237	1,107,108		
2011-2015	25,536,001	-		
2016-2020	22,087,906	-		
2021-2025	9,299,825	_		
Subtotal	\$ 87,768,009	\$ 18,024,020		
ess: Amounts representing interest	(26,852,612)	(937,230)		
Capital Lease Obligations	\$ 60,915,397	\$ 17,086,790		

Capital leases payable as of June 30, 2005, are composed of the following individual items.

			Issued	l	Balance at	Type of Project Financed (the assets
Date Issued	Final Maturity	Interest Rate	Amount	J۱	ine 30, 2005	acquired secured the related capital lease)
P	rimary Governme	ent				
09/15/90	Apr 2011	7.12%	\$ 8,695,000	\$	2,350,000	Library Facility Government Complex
06/17/03	Mar 2019	Variable	21,530,000		21,530,000	Government Complex
12/16/03	Dec 2012	3.54%	3,726,000		34,060,000	Commuter Bus Lease
12/17/03	Dec 2023	Variable	35,000,000		2,975,397	Public Safety Facilities
Total Primary	Government		\$ 68,951,000	\$	60,915,397	
Con	nponent Unit - Sc	hools				
08/02/01	Aug 2005	3.54%	\$ 5,350,000	\$	1,070,000	School Equipment
08/30/02	Aug 2007	2.56%	7,800,000		4,796,790	School Equipment
08/15/03	Aug 2007	1.60%	2,000,000		1,500,000	School Equipment
08/15/03	Aug 2008	1.73%	5,400,000		4,320,000	School Equipment
09/30/04	Sep 2009	2.51%	5,400,000		5,400,000	School Equipment
Fotal Compon	ent Unit - School	s	\$ 25,950,000	\$	17,086,790	

NOTE XI - LONG TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the Primary Government and Schools for the year ended June 30, 2005:

	Balance at			Balance at	Amounts Due
	June 30, 2004	Additions	Reductions	June 30, 2005	Within One Year
Primary Government					
General Obligation Bonds and Loans Payable	\$632,757,090	\$346,975,000	\$209,150,069	\$770,582,021	\$ 63,246,980
Capital Leases	62,472,390	-	1,556,993	60,915,397	1,618,221
Claims Payable	10,008,112	47,222,999	48,360,111	8,871,000	6,999,942
Compensated Absences	11,464,886	2,850,706	720,795	13,594,797	1,009,113
Landfill Closure and Postclosure Care Costs	20,746,587	alu	1,611,278	19,135,309	
Total Primary Government	\$737,449,065	\$397,048,705	\$261,399,246	\$873,098,524	\$ 72,874,256
Component Unit - Schools					
Capital Leases	\$ 16,989,511	\$ 5,400,000	\$ 5,302,721	\$ 17,086,790	\$ 5,289,039
Compensated Absences	11,571,849	353,859	765,527	11,160,181	825,238
Total Component Unit-Schools	\$ 28,561,360	\$ 5,753,859	\$ 6,068,248	\$ 28,246,971	\$ 6,114,277

Long-term obligations of governmental activities are generally liquidated by the general fund, except for claims liabilities, which are liquidated by the internal service fund.

Bonds and loans payable as of June 30, 2005, are as follows:

General Obligation Bonds:

Obligation Bonds:	
\$22,445,000 Public Improvement Bonds, Series 1994, due in annual installments from \$1,120,000 to \$1,125,000 through 2014, interest from 4.50% to 5.10%. The proceeds of these bonds were used for construction and equipping of new schools.	\$1,125,000
\$16,665,000 School Construction Bonds, Series 1994B, due in annual installments from \$710,000 to \$865,000 through 2013, interest from 6.10% to 6.30%. The proceeds of these bonds were used for new school construction as well as improvements in existing schools.	7,705,000
\$18,115,000 School Construction Bonds, Refunding Series 1994A, due in annual installments of \$225,000 to \$1,195,000 through 2011, interest from 5.5% to 8.6%. The proceeds of these bonds were used to refinance four bond issues from 1987, 1989, 1990, and 1991.	5,350,000
\$30,700,000 Public Improvement Bonds, Series 1996A, due in annual installments of \$1,535,000 through 2016, interest from 4.70% to 6.70%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County.	3,070,000
\$10,000,000 School Construction Bonds, Series 1997A, due in annual installments of \$394,000 to \$1,045,000 through 2018, interest from 5.10% to 6.10%. The proceeds of these bonds were used for new school and technology construction.	6,500,000
\$44,325,000 Public Improvement Bonds, Series 1997A, due in annual installments of \$2,215,000 to \$2,220,000 through 2017, interest from 4.30% to 6.00%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County and the development, construction, and equipping of a Senior Services Center.	8,865,000
\$39,770,000 Public Improvement Bonds, Series 1998A, due in annual installments of \$1,460,000 to \$2,965,000 through 2019, interest from 4.00% to 5.00%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County.	11,495,000
\$10,105,000 Public Improvement Bonds, Series 1998B, due in annual installments of \$30,000 to \$1,910,000 through 2016, interest from 4.00% to 5.25%. The proceeds of these bonds were used for the refunding of outstanding bonds originally issued in 1989, 1993, and 1996.	8,105,000
\$20,235,000 School Construction Bonds, Series 1999A, due in annual installments of \$1,010,000 to \$1,015,000 through 2020, interest from 4.10% to 5.23%. The proceeds of these bonds were used for new school and technology construction.	15,160,000

\$10,000,000 Public Improvement Bonds, Series 1999B, due in annual installments of $$100,000$ to $$900,000$ through 2020, interest from 3.60% to 5.40%. The proceeds of these bonds were used to finance the acquisition, construction, and equipping of a public school in the County.		3,300,000
\$58,825,000 Public Improvement Bonds, Series 1999C, due in annual installments of \$1,540,000 to \$4,905,000 through 2020, interest from 4.50% to 5.75%. The proceeds of these bonds were used to finance the acquisition, construction, and equipping of public schools in the County; the design, construction, and equipping of a renovation and addition to the County's animal shelter; and the renovation and expansion of the County's emergency communications systems.		17,060,000
\$3,020,000 School Construction Bonds, Series 2000A, due in annual installments of \$150,000 to \$155,000 through 2021, interest from 5.10% to 6.35%. The proceeds of these bonds were used to finance the design, construction, and equipping of a gymnasium and addition to an existing elementary school in the County.		2,400,000
\$60,000,000 Public Improvement Bonds, Series 2000B, due in annual installments of \$2,650,000 to \$3,650,000 through 2021, interest from 4.48% to 5.38%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County, the County's fire and rescue training center, including the replacement of the burn building, and enhancing the automated systems of the County libraries.		16,250,000
\$12,060,000 School Construction Bonds, Series 2001A, due in annual installments of \$600,000 to \$605,000 through 2021, interest from 4.10% to 5.60%. The proceeds of these bonds were used to finance the design, construction, and equipping of an elementary school in the County.		10,245,000
\$45,000,000 Public Improvement Bonds, Series 2001B, due in annual installments of \$1,535,00 to \$3,575,00 through 2021, interest from 4.00% to 5.25%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County and two of the County's libraries and to enhance the automated systems of the County's libraries.		16,870,000
\$70,000,000 Public Improvement Bonds, Series 2001C, due in annual installments of \$3,010,000 to \$4,410,000 through 2021, interest from 3.25% to 5.25%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County, the County's fire and rescue training center, including the replacement of the burn building, two of the County's public safety centers and a County library.		47,740,000
\$90,625,000 Public Improvement Bonds, Series 2002A, due in annual installments of \$3,125,000 to \$5,925,000 through 2022, interest from 2.00% to 5.25%. \$74,000,000 of the proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County and a public safety center in the County. \$16,625,000 of the proceeds of these bonds was used for the refunding of bonds originally issued in 1993, 1996 and 1999.		48,655,000
\$110,715,000 Public Improvement Bonds, Series 2003A, due in annual installments of \$4,985,000 to \$6,720,000 through 2022, interest from 3.00% to 5.00%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County, a fire/sheriff station, public libraries, and park and recreation facilities in the County.		77,685,000
\$14,075,000 Refunding Bonds, Series 2003B, due in annual installments of \$1,400,000 to \$2,535,000 through 2013, interest from 3.00% to 5.00%. The proceeds of these bonds were used for the advance refunding of outstanding bonds originally issued in 1993.		11,690,000
\$111,000,000 Public Improvement Bonds, Series 2004A, due in annual installments of \$4,705,000 to \$7,120,000 through 2024, interest from 3.25% to 5.25%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation, and equipping of public schools, a fire/sheriff station, public libraries, and park and recreation facilities in the County.	1	03,885,000
\$66,525,000 School Construction Bonds, Series 2004B, due in annual installments of \$3,325,000 to \$3,330,000 through 2024, interest from 4.10% to 5.60%. The proceeds of these bonds were used to finance the design, construction, and equipping of public schools and a school administration building in the County.		66,525,000
\$158,085,000 Refunding Bonds, Series 2005A, due in annual installments of \$670,000 to \$21,610,000 through 2021, interest from 3.00% to 5.00%. The proceeds of these bonds were used for the advance refunding of outstanding bonds originally issued in 1994, 1996, 1997, 1998, 1999, 2000, 2001, 2002, and 2003.	1	58,085,000

\$122,365,000 Public Improvement Bonds, Series 2005B, due in annual installments of \$4,935,000 to \$8,315,000 through 2025, interest from 2.627% to 5.00%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation, and equipping of public schools, a fire/sheriff station, public libraries, and park and recreation facilities in the County.

122,365,000

\$770,130,000

Total General Obligation Bonds

Loan Payable

\$909,000 for loan in 1998 from the Virginia Water Facilities Revolving Loan Fund due in semi-annual installments of \$52,769 through 2009, at interest of 2.0%. The proceeds of this loan were used to correct failing septic system problems of properties immediately adjacent to the Town of Hamilton.

452,021

Total General Obligation Bonds and Loan Payable

\$770,582,021

Annual requirements to amortize long-term debt and related interest to maturity for the Primary Government are presented below:

Primary Government Debt Service							
Year Ending June 30		Principal		Interest			
2006	\$	63,246,980	\$	36,251,809			
2007		61,053,930		33,705,204			
2008		58,075,918		30,797,485			
2009		54,352,946	•	27,958,064			
2010		49,207,247		25,426,137			
2011-2015		215,385,000		92,454,192			
2016-2020	,,	177,150,000		43,401,199			
2021-2025		92,110,000	Ì	8,924,859			
Total General Obligations and Loans Payable	\$	770,582,021	\$	298,918,949			

This year and in prior years, the County defeased certain general obligation and other bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account's assets and liabilities for the defeased bonds are not included in the County's financial statements. As of June 30, 2005, \$208,760,000 of bonds outstanding are considered defeased. During fiscal year 2005, the County completed a refunding of certain general obligation bonds. The \$158,085,000 Series 2005A bonds were used to advance refund \$10,100,000 of the Series 1994A bonds, \$3,070,000 of the Series 1996A bonds, \$19,945,000 of the Series 1997A bonds, \$10,485,000 of the Series 1998A bonds, \$920,000 of the Series 1998B bonds, \$4,300,000 of the Series 1999B bonds, \$10,900,000 of the Series 1999C bonds, \$29,150,000 of the Series 2000B bonds, \$13,840,000 of the Series 2001B bonds, \$9,030,000 of the Series 2001C bonds, \$27,305,000 of the Series 2002A bonds, and \$19,600,000 of the Series 2003A bonds. The cash flow difference to the County is \$10,107,305 less with the refunding bonds. A net present value savings of \$5,960,113 resulted from the advance refunding.

NOTE XII - SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require the County to place a final cover on its Woods Road landfill site, as well as other sites opened in the future when they stop accepting waste, and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Although closure and postclosure care cost will be paid only near or after the date that the landfill stops accepting waste, GAAP requires that the County record a portion of these closure and postclosure care costs as a long-term liability in each period based on landfill capacity used as of each fiscal year end. The \$19,135,309 liability for landfill closure and postclosure care cost at June 30, 2005 represents the estimated liability based on the usage of 84.00% of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care in the amount of \$3,644,821 as the remaining estimated capacity is used. The estimated remaining life of the landfill is 20 years. The liability accrued at June 30, 2005 is based on what it would cost to perform all closure and postclosure care in 2005. Actual cost may differ from this estimate due to inflation, changes in technology or changes in regulation.

NOTE XIII - CONTINGENT LIABILITIES

Various claims and lawsuits are pending against the County. With respect to pending litigation, neither management nor the County Attorney can predict the outcome of certain of those matters at this time or the ultimate liability should the County not be successful in defending its position. In actions for monetary damages, other than taxation matters, the County may have coverage through self-insurance plans managed by the Commonwealth of Virginia. However, it is possible that in the near term, losses may be realized on claims in excess of amounts included as other liabilities on the statement of net assets.

The County has received a number of Federal and State grants. Although the County has been audited in accordance with the provisions of Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, these grants remain subject to financial and compliance audits by the grantors or their representatives. Such audits could result in requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. The amount of expenditures that may be disallowed as a result of audits at some future date cannot be determined at this time; however, County management believes such amounts, if any, will not have a material affect on the financial position or results of operations of the County.

NOTE XIV- DEFERRED COMPENSATION PLAN

The Primary Government offers a deferred compensation plan created in accordance with Internal Revenue Code Section 457 (the "Plan"). The Plan is available to all employees and permits them to defer a portion of their current salary until future years. The deferred compensation is not available to employees until termination, retirement, death or an unforseeable emergency.

The Plan's investments are not reported on the Primary Government's balance sheet as such funds are held in a trust, over which the Primary Government has limited oversight.

NOTE XV - RETIREMENT PLANS

(A) DEFINED BENEFIT PENSION PLAN

1. Plan Description

Name of Plan:

Virginia Retirement System (VRS)

Identification of Plan:

Agent and Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

Administering Entity: Virginia Retirement System (VRS)

All full-time, salaried permanent employees of participating employers must participate in the VRS. Benefits vest after five years of service. Employees are eligible for an unreduced retirement benefit at age 65 with 5 years of service (age 60 with 5 years of service for participating law enforcement officers and firefighters) or at age 50 with 30 years of service (age 50 with 25 years of service for participating law enforcement officers and firefighters) payable monthly for life in an amount equal to 1.7 percent of their average final compensation (AFC) for each year of credited service. Benefits are actuarially reduced for retirees who retire prior to becoming eligible for full retirement benefits. In addition, retirees qualify for an annual cost-of-living adjustment (COLA) beginning in their second year of retirement. The COLA is limited to 5% per year. AFC is defined as the highest consecutive 36 months of reported compensation. Participating law enforcement officers and firefighters may receive a monthly benefit supplement if they retire prior to age 65. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

The System issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. A copy of that report may be obtained by writing to the System at P O Box 2500, Richmond, VA 23218-2500.

2. Funding Policy

Employees are required by Title 51.1 of the <u>Code of Virginia</u> (1950), as amended, to contribute 5% of their annual salary to the VRS. This 5% member contribution has been assumed both by the County and the School Board for their respective employees. If an employee leaves covered employment, the accumulated contributions plus interest earned may be refunded to the employee. Each participating employer is required by State statute to contribute the remaining amounts necessary to fund the System using the actuarial basis specified by the <u>Code of Virginia</u> (1950), as amended, and approved by the VRS Board of Trustees. State statute may be amended only by the Commonwealth of Virginia Legislature. Contributions made by the Primary Government and the Component Unit — Schools for their employees other than professional employees of the Schools represent 4.00% of covered payroll for the fiscal year, while employee contributions represent 5%. Total contributions made by the Schools to the VRS Statewide teacher cost-sharing pool for professional employees of the Schools for the three fiscal years 2003, 2004, and 2005 were \$19,335,203, \$21,428,707, and \$30,006,421 respectively, and represented 9.61%, 9.70% and 11.89% of the covered payroll, respectively.

3. Annual Pension Cost

For 2005, the Primary Government and Component Unit-Schools' annual pension cost of \$13,957,650 and \$3,642,705 respectfully, was equal to the Primary Government and Component Unit-Schools' required and actual contributions. The required contribution was determined as part of the June 30, 2004 actuarial valuation using the entry age normal actuarial cost method. The amortization method used is a level percent, open method with an amortization period of 9 years. The actuarial assumptions included (a) 8% investment rate of return, (b) projected salary increases of 4.25% to 6.10% per year, and (c) 3.0% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3%. The actuarial value of the Primary Government and Component Unit-Schools' assets is equal to the modified market value of assets. This method was determined using techniques that smooth the effects of short-term volatility in the market value of assets over a five-year period.

Trend Information - Primary Government							
Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation				
June 30, 2005	\$13,957,650	100%	-				
June 30, 2004	\$9,450,637	100%	,				
June 30, 2003	\$8,737,136	100%	-				

Trend Information - Component Unit-Schools							
Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation				
June 30, 2005	\$3,604,150	100%	**				
June 30, 2004	\$2,362,980	100%					
June 30, 2003	\$2,130,164	100%	T.				

(B) VOLUNTEER FIRE AND RESCUE RETIREMENT SYSTEM

1. Plan Description

The Primary Government is the administrator of a noncontributory, single employer, defined benefit Length of Service Retirement Plan (the Plan). The Plan covers voluntary fire and rescue service members, who are not Primary Government employees, but who serve voluntarily with one of the Primary Government's volunteer fire and rescue companies. The Plan provides retirement benefits as well as death and disability benefits. All benefits vest after ten years of credited service. Members who retire at or after age 55 with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to \$12 per month for each year of credited service earned after January 1, 1976, \$12 per month for each two years of credited service earned prior to January 1, 1976, with a maximum benefit of \$300 per month. The Plan has a total of 1,507 members; 3 members are in retirement status, 328 are former members with vested benefits, resulting in 1,176 active Plan participants for the year. The Loudoun County Board of Supervisors maintains the authority to establish and amend the benefit provisions of the Plan. The Plan is invested in a fixed annuity that pays 5,20%. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Plan does not issue a stand alone financial report. All required statements and disclosures are contained in these financial statements.

2. Funding Status and Progress

The Loudoun County Board of Supervisors maintains the authority to establish and amend the funding policy of the Plan. The Plan's funding policy provides for the periodic Primary Government contributions at actuarially determined rates to accumulate sufficient assets to pay benefits when due. Plan members are not required to and do not contribute to the Plan. Plan contributions are held in an unallocated insurance contract with Hartford Insurance Company.

3. Annual Pension Cost

The Primary Governments' contributions to the Plan were equal to the annual required contribution and annual pension cost for each year. The annual and required contribution was determined through a June 30, 2002 actuarial valuation using the Entry Age Normal Frozen Initial Liability (EANFIL) funding method. The amortization method used is a thirty year, level dollar, closed method. The actuarial assumptions included (a) 5.5% investment rate of return and (b) pre-retirement ancillary benefits of 7.5%. Both (a) and (b) include an inflation component of 2.5% to 3%. The actuarial value of the assets is equal to the market value of the assets.

Trend Information							
Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation				
June 30, 2005	\$623,238	100%	•				
June 30, 2004	\$746,832	100%	_				
June 30, 2003	\$742,690	100%	-				

NOTE XVI - DEFERRED REVENUE

Deferred revenue, representing taxes not yet due of \$260,598,954, uncollected delinquent tax billings of \$2,385,204, business license tax billings of \$7,855,389, grants of \$2,905,442 not available for funding of current expenditures, and miscellaneous revenue of \$1,979,044 totaled \$275,724,033 for both Primary Government and Schools as of June 30, 2005. Certain uncollected business license tax billings, that are reflected as delinquent tax receivables, are being disputed and may not be collected.

Property taxes deferred as a result of land use assessments and tax relief for the elderly and handicapped are not reflected in the financial statements since collection is contingent upon occurrence of certain events prescribed by statute. These contingent amounts represent approximately \$60.7 million at June 30, 2005.

NOTE XVII - EXCESS EXPENDITURES OVER APPROPRIATIONS

- Route 28 Special Improvements Fund expenditures for fiscal year 2005 were \$5,983,598, which exceeded its legal budget of \$5,814,000 by \$169,598. The taxes collected or revenue in this fund also exceeded its legal budget. The taxes collected in this fund are remitted to the Commonwealth of Virginia and, therefore, additional collections result in additional remittances or expenses.
- Legal Resources Center Fund expenditures for fiscal year 2005 were \$42,022, which exceeded its legal budget of \$36,953 by \$5,069. Revenues collected in excess of the budget were more than \$5,069, and, therefore, the expenditures were increased.
- Public Facilities Fund expenditures for fiscal year 2005 were \$26,609,101, which exceeded its legal budget of \$20,535,192 by \$6,073,909. The excess appropriation in this fiscal year is due to the use prior year's fund balance for Community Development projects and purposes.

NOTE XVIII - NONCURRENT NOTES AND LOANS RECEIVABLE - PRIMARY GOVERNMENT

Noncurrent notes and loans receivable consisted of the following at June 30, 2005.

Notes and Loans Receivable \$ 4,239,536
Allowance for Uncollectibles (807,326)
Net Notes and Loans Receivable \$ 3,432,210

Of the gross amount of notes and loans receivable, \$2,097,354 represents loans made to volunteer fire and rescue companies in the County for the purchase of equipment or the renovation and expansion of the companies' facilities. \$807,369 represents loans to towns in the County or The Loudoun County Sanitation Authority (LCSA) for the expansion of sewage services. Sewage connection fees are used to repay these loans. The remaining \$1,334,813 represents loans to individuals/families under the Affordable Housing Project.

NOTE XIX - JOINTLY GOVERNED ORGANIZATION

The County, in conjunction with the Commonwealth of Virginia Transportation Board (the "Transportation Board") and the County of Fairfax, Virginia (Fairfax County), has created the State Route 28 Highway Transportation Improvement District (the "District"). The District was created by resolutions of the Boards of Supervisors of Loudoun and Fairfax Counties. The District is governed by a commission of nine members comprised of four of the elected members of the Board of Supervisors of Loudoun County, four of the elected members of the Board of Supervisors of Fairfax County, and the Chairman of the Transportation Board or his or her designee. The Chairman of the District is elected by and from among its members. The District Act confers powers upon Loudoun and Fairfax Counties to levy annually within the District a limited ad valorem tax on taxable real estate zoned for commercial and industrial use located in the District. This tax, when levied and collected by either County, is to be promptly paid to the fiscal agent of any outstanding bonds issued for construction purposes on State Route 28. The Transportation Board through the Fairfax County Economic Development Commission has issued \$90,785,000 transportation contract revenue bonds for the purpose of financing a portion of the costs of certain grade-separated interchanges on State Route 28 in Loudoun and Fairfax Counties. The Board of Supervisors of Loudoun and Fairfax Counties have agreed to equally support any shortfalls in annual debt service payments arising from a shortage of District tax revenues.



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COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE - GENERAL FUND REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2005

	Budgeted Amo			Amounts Final		Actual Amount (Budgetary Basis)		ariance with inal Budget Positive (Negative)
Resources (Inflows)		Original			<u> </u>			
General Property Taxes	\$	472,685,958	\$	472,685,958	\$	490,378,641	\$	17,692,683
Other Local Taxes	•	73,053,835	•	73,057,585		94,284,375		21,226,790
Permits and Licenses		16,732,787		17,000,906		23,102,301		6,101,395
,		75,961,804		80,885,191		85,571,629		4,686,438
Intergovernmental Charges for Services		16,787,451		19,844,201		19,555,492		(288,709)
Fines and Forfeitures		1,839,961		1,839,961		2,023,360		183,399
, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		2,783,740		2,834,771		5,126,790		2,292,019
Use of Money and Property Recovered Costs		6,605,266		6,150,193		5,194,453		(955,740)
Gifts and Donations and Miscellaneous		433,877		1,629,604		771,886		(857,718)
		450,011		13,000		76,949		63,949
Sales of Capital Assets Transfers from Other Funds		5,176,970		2,687,058		2,213,206		(473,852)
Amounts Available for Appropriation		672,061,649		678,628,428		728,299,082		49,670,654
Charges to Appropriations (Outflows)								
General Government Administration		33,770,602		36,945,105		34,145,164		2,799,941
Judicial Administration		8.212.427		8,431,122		8,118,047		313,075
Public Safety		81,740,195		86,455,055		78,260,183		8,194,872
Public Works		15,203,383		17,057,576		15,031,565		2,026,011
Health and Welfare		51,745,169		53,018,897		49,000,258		4,018,639
Parks, Recreation and Culture		30,950,830		32,504,856		30,246,975		2,257,881
Community Development		20,362,991		22,054,253		19,534,908		2,519,345
Education		381,441,413		368,946,413		368,637,091		309,322
Transfers to Other Funds		71,556,223		97,150,238		96,372,169		778,069
Total Charges to Appropriations	***	694,983,233		722,563,515	W-1-	699,346,360		23,217,155
Excess (Deficiency) of Resources Over						-	***************************************	3
Charges to Appropriations		(22,921,584)		(43,935,087)		28,952,722		72,887,809
Fund Balance at Beginning of Year		119,095,635		119,095,635		119,095,635		-
Fund Balance at End of Year	\$	96,174,051	\$	75,160,548	\$	148,048,357	\$	72,887,809

See Independent Auditors' Report and notes to budgetary comparison schedule.

COUNTY OF LOUDOUN, VIRGINIA NOTES TO BUDGETARY COMPARISON SCHEDULE June 30, 2005

The following procedures are used by the County in establishing the budgetary data reflected in the budgetary comparison schedule.

- 1. Prior to March 30, the County Administrator submits a proposed operating and capital budget for the fiscal year, commencing on the following July 1, to the Board of Supervisors. The operating and capital budget includes proposed expenditures and the related financing.
- 2. Public hearings are conducted to obtain citizen comments.
- 3. Prior to June 30, the budget is legally enacted through passage of an Appropriation Resolution.
- 4. The Appropriations Resolution places legal restrictions on expenditures at the Fund level. The appropriation for each Fund can be revised only by the Board of Supervisors. The County Administrator is authorized to transfer budgeted amouns within County general government funds.
- 5. Formal budgetary integration is employed at the character level within each department as a management control device during the year.
- 6. All Budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).

COUNTY OF LOUDOUN, VIRGINIA PUBLIC EMPLOYEE RETIREMENT SYSTEMS - PRIMARY GOVERNMENT REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS (Unaudited)

		(1)	(2) Actuarial	(3) Unfunded	(4)	(5)	(6) UAAL as a
	Actuarial Valuation Date	Actuarial Value of Assets	Accrued Liability (AAL)	AAL (UAAL) (2) - (1)	Funded Ratio _(1) / (2)	Annual Covered Payroll	Percentage of Covered Payroll ((2)-(1)) / (5)
Volunteer Fire and	6/30/2000	6,584,000	8,475,000	1,891,000	77.69%	N/A	N/A
Rescue Retirement	6/30/2001	7,071,000	9,321,000	2,250,000	75.86%	N/A	N/A
System	6/30/2002	7,482,000	9,643,000	2,161,000	77.59%	N/A	N/A
,	6/30/2003	8,221,000	10,445,000	2,224,000	78.71%	N/A	N/A
	6/30/2004	9,165,000	12,127,000	2,962,000	75.58%	N/A	N/A
	6/30/2005	9,654,000	11,260,000	1,606,000	85.74%	N/A	N/A
Virginia Retirement	6/30/1999	101,205,719	96,474,848	(4,730,871)	104.90%	48,656,343	-9.72%
System	6/30/2000	120,106,673	104,252,713	(15,853,960)	115.21%	57,334,672	-27.65%
	6/30/2001	137,285,399	122,153,258	(15, 132, 141)	112.39%	72,476,675	-20.88%
	6/30/2002	149,528,486	146,875,984	(2,652,502)	101.81%	91,133,256	-2.91%
	6/30/2003	161,094,199	164,947,392	3,853,193	97.66%	88,905,517	4.33%
	6/30/2004	172,862,246	194,092,714	21,230,468	89.06%	104,182,013	20.38%

All six year-recommended trend information has been calculated using the Entry Age Normal actuarial cost method. Under the Entry Age Normal actuarial cost method, the actuarial present value of future benefits for each member is allocated for the members pensionable compensation on a level basis between the entry age of the member and the estimated exit age. The portion of the present value of future benefits not provided for by the present value of future normal costs is called the actuarial accrued liability.

Analysis of dollar amounts of plan net assets, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading.

SCHEDULE OF EMPLOYER CONTRIBUTIONS (Unaudited)

General Employees			Volunteer Firefighter				
	Annual			Annual			
Actuarial	Required	Percentage	Actuarial	Required	Percentage		
Date	Contribution	Contributed	Date	Contribution	Contributed		
6/30/2000	5,742,564	100%	6/30/2000	799,815	100%		
6/30/2001	6.842.214	100%	6/30/2001	652,896	100%		
6/30/2002	7,998,183	100%	6/30/2002	783,590	100%		
6/30/2003	8,737,136	100%	6/30/2003	742,690	100%		
6/30/2004	9,450,637	100%	6/30/2004	746,832	100%		
6/30/2005	13,957,650	100%	6/30/2005	621,447	100%		

^{*} Expressing plan net assets as a percentage of the actuarial accrued liability provides one indication of each plan's funding status on a going concern basis. Analysis of this percentage over time indicates whether the plan is financially stronger or weaker. Generally, the greater this percentage, the stronger the plan.

^{*} Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the plan's progresss made in accumulating sufficent assets to pay benefits when due. Generally, the smaller the percentage, the stronger the plan.

COUNTY OF LOUDOUN, VIRGINIA PUBLIC EMPLOYEE RETIREMENT SYSTEMS - COMPONENT UNIT REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS (Unaudited)

	Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL (2) - (1)	(4) Funded Ratio (1) / (2)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll ((2)-(1)) / (5)
					96.04%	11,313,639	7.18%
School Board:	6/30/1999	19,675,543	20,487,648	812,105			
Virginia Retirement	6/30/2000	23,544,746	20,727,670	(2,817,076)	113.59%	13,193,813	-21.35%
System	6/30/2001	27,148,809	25,379,887	(1,768,922)	106.97%	16,749,346	-10.56%
Cyclom	6/30/2002	29,589,089	29,783,214	194,125	99.35%	20,068,557	0.97%
	6/30/2003	31,887,035	34,915,358	3,028,323	91.33%	24,010,440	12.61%
	6/30/2004	34,291,583	39,518,624	5,227,041	86.77%	26,394,890	19.80%

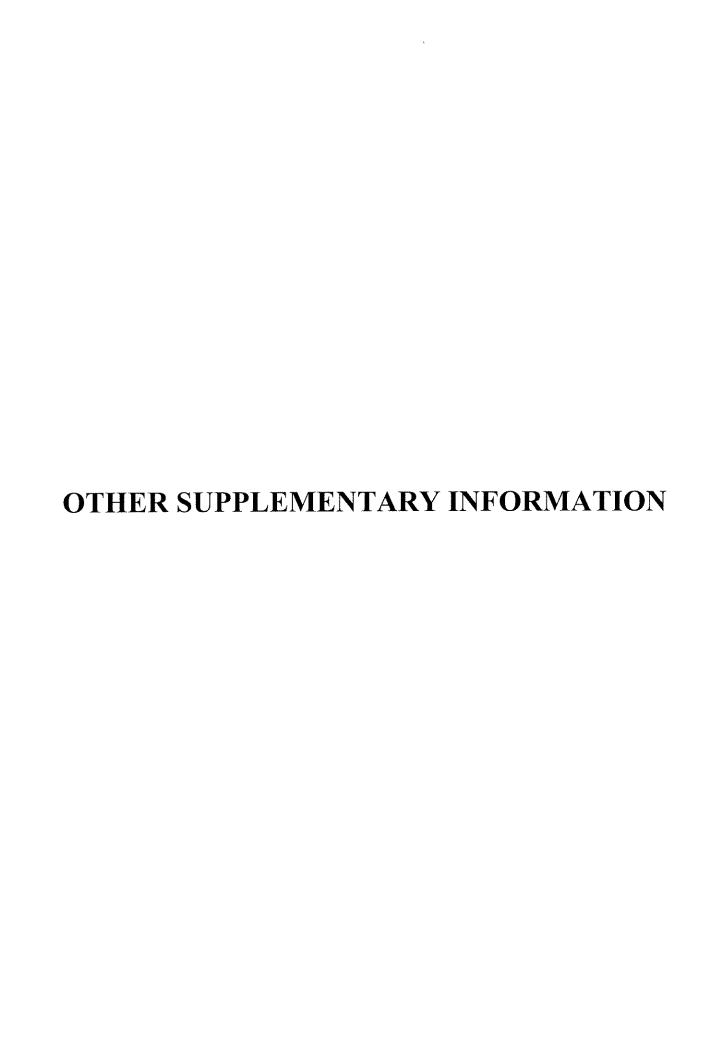
All six year-recommended trend information has been calculated using the Entry Age Normal actuarial cost method. Under the Entry Age Normal actuarial cost method, the actuarial present value of future benefits for each member is allocated for the members pensionable compensation on a level basis between the entry age of the member and the estimated exit age. The portion of the present value of future benefits not provided for by the present value of future normal costs is called the actuarial accrued liability.

Analysis of dollar amounts of plan net assets, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading.

- * Expressing plan net assets as a percentage of the actuarial accrued liability provides one indication of each plan's funding status on a going concern basis. Analysis of this percentage over time indicates whether the plan is financially stronger or weaker. Generally, the greater this percentage, the stronger the plan.
- * Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the plan's progress made in accumulating sufficent assets to pay benefits when due. Generally, the smaller the percentage, the stronger the plan.

SCHEDULE OF EMPLOYER CONTRIBUTIONS (Unaudited)

	School Board			
Actuarial Date	Annual Required Contribution	Percentage Contributed		
6/30/2000	1,458,767	100%		
6/30/2001	1,736,786	100%		
6/30/2002	1,975,031	100%		
6/30/2003	2,130,164	100%		
6/30/2004	2,414,022	100%		
6/30/2005	3,642,705	100%		



General Fund

<u>General Fund</u> - This fund is the government's primary operating fund. except those required to be accounted for in another fund.	It accounts for all financial resources of the general government,
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COUNTY OF LOUDOUN, VIRGINIA SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2005 (With Comparative Actual Amounts for 2004)

	2005		2004	
			Variance Positive	
	Final Budget	Actual	(Negative)	Actual
REVENUES From local sources:				
General property taxes:				
Real property taxes \$	399,581,048	\$ 413,537,570	\$ 13,956,522	\$ 354,615,517
Real and personal public service corporation property taxes	8,899,910	9,996,296	1,096,386	8,892,380
Personal property taxes	60,655,000	62,198,326	1,543,326	57,515,495
Machinery and tools taxes	1,170,000	1,155,636	(14,364)	1,122,576
Penalties and interest	2,380,000	3,490,813	1,110,813	2,486,392
Total general property taxes	472,685,958	490,378,641	17,692,683	424,632,360
Other local taxes:				
Local sales and use taxes	35,000,000	40,440,519	5,440,519	37,760,453
Consumer utility taxes	8,410,000	8,716,934	306,934	8,427,734
Business license taxes	17,713,800	21,230,878	3,517,078	18,078,837
Franchise license taxes	958,735	1,143,290	184,555	1,060,662
Motor vehicle licenses	4,001,300	4,626,043	624,743	4,278,596
Bank franchise taxes	300,000	563,757	263,757	335,675
Taxes on recordation and wills	5,529,750	15,758,557	10,228,807 660,397	8,465,062
Hotel and motel room taxes	1,144,000 73,057,585	1,804,397 94,284,375	21.226.790	1,194,536 79,601,555
Total other local taxes	73,037,363	94,264,373	21,220,790	79,601,000
Permits, privilege fees and regulatory licenses:				
Animal licenses	62,000	82,821	20,821	75,088
Permits and other licenses	16,938,906	23,019,480	6,080,574	17,704,895
Total permits, privilege fees and regulatory licenses	17,000,906	23,102,301	6,101,395	17,779,983
Fines and forfeitures:			100.000	
Fines and forfeitures	1,839,961	2,023,360	183,399	1,688,132
Total fines and forfeitures	1,839,961	2,023,360	183,399	1,688,132
Revenue from use of money and property:		1000001	0.000.500	4.045.574
Revenue from use of money	2,279,376	4,669,964	2,390,588	1,815,574
Revenue from use of property Total revenue from use of money and property	555,395 2,834,771	456,826 5,126,790	(98,569)	433,717 2,249,291
Charges for services:		4.050	4.450	
County Attorney	500	1,650	1,150	2,075
Treasurer	170,586	196,403 3,312,661	25,817 1,112,661	211,884 3,025,325
Clerk of the Circuit Court	2,200,000	3,892	3,892	3,023,325
Commonwealth's Attorney Sheriff	280,350	185,723	(94,627)	273,778
Management and Financial Services	3,100	1,528	(1,572)	1,440
General Services	3,581	2,609	(972)	2,614
Building and Development	46,000	118,321	72,321	82,333
Planning	4,000	4,177	177	5,100
Economic Development	**	91	91	254
Office of the Solid Waste Management	4,764,165	3,820,077	(944,088)	2,808,249
Mapping and Geographic Information	57,400	83,948	26,548	62,938
Animal Care and Control	54,500	63,575	9,075	67,724
Health Services	22,000	14,113	(7,887)	12,157
Transportation	1,775,550	1,861,611	86,061	1,626,303
Library	23,675	22,412	(1,263)	20,897
Community court services	19,000	11,240	(7,760)	-
Mental Health and Mental Retardation	703,308	640,526	(62,782)	642,388
Parks and Recreation	9,716,486	9,210,935	(505,551)	8,051,710
Total charges for services	19,844,201	19,555,492	(288,709)	16,900,254
Miscellaneous revenue:				
Miscellaneous revenue	445,857	420,458	(25,399)	1,323,341
Gifts and Donations	318,747	351,428	32,681	460,609
Sales of capital assets	13,000	76,949	63,949	120,622
Total miscellaneous revenue	777,604	848,835	71,231	1,904,572

COUNTY OF LOUDOUN, VIRGINIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2005

(With Comparative Actual Amounts for 2004)

	2005		2004	
		***************************************	Variance Positive	
	Final Budget	Actual	(Negative)	Actual
Recovered costs:				
Recovered costs	6,150,193	5,194,453	(955,740)	5,540,171
Total recovered costs	6,150,193	5,194,453	(955,740)	5,540,171
Total from local sources	594,191,179	640,514,247	46,323,068	550,296,318
From the Commonwealth:				
Non-categorical aid:	79,000	79,178	178	205,970
ABC profits Wine taxes	83,000 83,000	82,994	(6)	127,672
Motor vehicle carrier's taxes	5,000	7,011	2,011	4,046
Mobile home titling taxes	6,600	4,587	(2,013)	6,754
Taxes on deeds	2,000,000	4,170,886	2,170,886	3,112,047
Motor vehicle sales and use taxes	5,400,000	5,946,311	546,311	5,317,779
Reimbursement of personal property tax	43,851,000	45,661,371	1,810,371	42,733,105
Total non-categorical aid	51,424,600	55,952,338	4,527,738	51,507,373
Shared expenses:			•	
Commonwealth's Attorney	588,499	603,155	14,656	563,165
Sheriff	6,988,239	7,144,467	156,228	6,549,297
Commissioner of the Revenue	246,380	269,190	22,810	244,265
Treasurer	301,205	319,592	18,387	306,788
Medical Examiner		1,860	1,860	2,220
Registrar	54,143	77,377	23,234	53,452
Electoral Boards	12,017	55,645	43,628	11,844
Clerk of the Circuit Court	600,000	616,616	16,616	593,249
Total shared expenses	8,790,483	9,087,902	297,419	8,324,280
<u>Categorical aíd:</u> Welfare/social servíces:				
Parks and Recreation:				
Local services to elderly	16,376	16,376	=	13,376
Fan care	<u>-</u>		-	241
Community Base Services	29,108	29,108	=	29,108
Nutrional services	10,037	10,037	_	3,761
Total Parks and Recreation	55,521	55,521	-	46,486
Social Services:			(170)	
State and local hospital	5,873	5,403	(470)	4,951
General relief assistance	72,524	78,351	5,827	88,476
Foster care assistance	164,465	47,216	(117,249) (55,960)	45,379
Supplemental to the aged, blind and disabled	159,308 14,434	103,348	(14,434)	115,463
Direct social services	14,434	51	51	-
Fuel Assistance	152,311	162,863	10,552	167,217
Food Stamp Program Temporary Assistance to Needy Family	224,053	188,370	(35,683)	135,836
Foster Care Assistance	223,817	247,006	23,189	121,579
Child Care Assistance	180,409	178,149	(2,260)	-
Child Care & Development	396,158	414,346	18,188	651,249
Family prevention and support services	7,440	72,969	65,529	76,481
Adoption Assistance	67,122	64,854	(2,268)	61,962
Medicaid Assistance	111,869	113,881	2,012	103,735
Respite care for foster families	924	639	(285)	239
Total Social Services	1,780,707	1,677,446	(103,261)	1,572,567
Total welfare/social services	1,836,228	1,732,967	(103,261)	1,619,053
Parks and recreation:				
Regional Organization				
Outdoor recreation	**			5,000
Total Regional Organization	* ·	<u> </u>	-	5,000
Total parks and recreation	*	-	•	5,000

COUNTY OF LOUDOUN, VIRGINIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2005

(With Comparative Actual Amounts for 2004)

	2005		2004	
	Variance			
	Final Budget	Actual	Positive (Negative)	Actual
Education:			, , , , , , , , , , , , , , , , , , ,	
Non-departmental:				
Lottery proceeds for education	2,980,000	2,831,309	(148,691)	2,806,144
Total education	2,980,000	2,831,309	(148,691)	2,806,144
Total categorical aid	4,816,228	4,564,276	(251,952)	4,430,197
Other categorical aid:				
Boards, commissions and committees	0.000	0.000		
Civil war calvary battles	2,336	2,336		
Total Boards, Commissions and Committees	2,336	2,336	-	-
Clerk of Circuit Court:	10.057	40.057		10.014
Chancery papers - Processing	10,357	10,357	-	10,214
Chancery papers - Item conservation	- 4-5	7 470	-	7,440
Library of Virginia - Item conservation	7,470	7,470		17,654
Total Clerk of Circuit Court	17,827	17,827	-	17,654
Sheriff's Office:	40,000	42.000		
School resource officer	13,900	13,900 13,900	<u>*</u>	
Total Sheriff's Office	13,900	13,900	~	*
Fire and Rescue:				
EMS motor vehicle registration	101,867	101,867	7	89,751
Fire programs	403,722	403,721	(1).	=
Virginia fire program mini grant	5,677	5,677	·=	1,580
Public emergency assistance		*		12,046
Total Fire and Rescue	511,266	511,265	(1)	103,377
Office of Solid Waste Management:				
Litter control	<u> 18,615</u>	18,615		39,066
Total Office of Solid Waste Management	18,615	18,615	-	39,066
Transportation:				
Highway safety	161,499	161,499	-	-
State formula assistance	380,000	479,536	99,536	344,181
State capital lease assistance	-	244,823	244,823	-
Comprehensive Transit Awareness		16,518	16,518	12,433
Total Transportation	541,499	902,376	360,877	356,614
Library:				
Public libraries	216,025	216,025		218,635
Total Library	216,025	216,025	-	218,635
Community Corrections:				
Administration of justice services	418,508	416,275	(2,233)	414,218
Spanish speaking probation officer	31,875	31,875		-
Total Community Corrections	450,383	448,150	(2,233)	414,218
Mental Health and Mental Retardation:				
Community residential services	68,500	43,632	(24,868)	46,479
DBH Reimbursement	4,500	2,417	(2,083)	5,146
Alcohol abuse services	451,314	465,626	14,312	447,709
Mental health services	880,910	880,910	-	876,814
Mental retardation services	366,187	353,886	(12,301)	342,525
Residential-SMI	14,532		(14,532)	-
MR family support	49,778	48,324	(1,454)	57,281
NGRI	3,500	8,000	4,500	1,000
Discharge assistance project	253,039	253,039	/00 00E	253,039
Early intervention	60,865	420 444	(60,865)	3,125
Children and adolescents with SED	196,171	139,441	(56,730)	67,044
Virginia incentive (SIG)	15,000	42.050	(15,000)	12 220
MR OBRA	14,076	13,258 65,170	(818) (4.437)	13,380
Virginia tobacco settlement foundation	69,607	65,170	(4,437)	-

COUNTY OF LOUDOUN, VIRGINIA SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2005 (With Comparative Actual Amounts for 2004)

		2005						
			Variance Positive	2004				
	Final Budget	Actual	(Negative)	Actual 11,286				
SA MOE for SAPT Block Grant	ae 000	25,000	*	11,200				
Mental health state children services	25,000 79.000	25,000 115,500	36,500	-				
Mental health aftercare	45,334	45,334		_				
Regional discharge assistance project Total Mental Health and Mental Retardation	2,597,313	2,459,537	(137,776)	2,124,828				
oral Mental Fleatin and Mental Retardation	2,007,010	2,	(101).	_,,				
Parks and Recreation:	50,000	50.000	•	50,000				
Care coordination program	73,148	66,215	(6,933)	63,350				
Virginia tobacco settlement foundation	72,106	72,106	(0,000)	-				
Virginia respite care program	72,700	, L, 100	-	11,825				
Home safe home Virginia Total Parks and Recreation	195,254	188,321	(6,933)	125,175				
Family Court Services:								
Juvenile confinement	-	-	•	102,294				
Total Family Court Services		-		102,294				
Social Services:								
JDC Block Grant	625,642	643,000	17,358	631,706				
Homeless intervention programs	137,000	137,000	-	137,000				
Share Shelter Support	13,571	14,821	1,250	14,142				
Virginia water quality improvement	-	*		15,000				
Fraud free program	5,190	4,201	(989)	989				
Total Social Services	985,028	1,002,647	17,619	900,168				
Total other categorical aid	5,549,446	5,780,999	231,553	4,402,029				
Total from the Commonwealth	70,580,757	75,385,515	4,804,758	68,663,879				
From the Federal government: Payments in lieu of taxes:								
Non-departmental:	3,000	1,784	(1,216)	-				
Federally owned entitlement lands Total payments in lieu of taxes	3,000	1,784	(1,216)					
Categorical aid:								
Welfare/social services:								
Park and Recreation:								
Programs for the aging-Title III-F	4,631	5,635	1,004	5,672				
Programs for the aging-Title III-C	52,590	52,590	*	52,963				
Programs for the aging-Title III-B	51,812	51,812	(4.004)	57,420				
Demonstrations VICAP	9,104	8,100	(1,004)	5,322 7,001				
Senior community service employment	8,204	8,204	*	7,001 29,405				
Retired seniors' volunteer program	29,405	29,405 653		25,403				
Programs for the aging-Title IV	653 156,399	156,399		158,434				
Total Park and Recreation	150,555	100,000		, 55, 151				
Social Services:	964 400	486,997	(374,193)	360,592				
Temporary Assistance to Needy Families	861,190 43,590	⊶00,33 /	(43,590)	205,690				
Title IV	25,653	16,994	(8,659)	24,096				
Juvenile accountability incentive	25,000	25,228	25,228	14,562				
Child care for homeless children	611,773	773,232	161,459	685,921				
Food Stamp Program	18,837	12,253	(6,584)	6,467				
Refugee assistance	685,866	1,192,693	506,827	545,291				
Foster care Assistance	1,297,934	1,257,815	(40,119)	827,460				
Child Caro Assistance	,,20,,007		(1,827)	51,949				
Child Care Assistance	52 972	51.145						
Discretionary Grants	52,972 300.680	51,1 <i>4</i> 5 389,158	88,478	774,536				
Discretionary Grants Child Care and Development	300,680			774,536 129,716				
Discretionary Grants Child Care and Development Child Welfare Services	300,680 36,322	389,158	88,478					
Discretionary Grants Child Care and Development Child Welfare Services Adoption Assistance	300,680 36,322 116,360	389,158 33,405	88,478 (2,917)	129,716				
Discretionary Grants Child Care and Development Child Welfare Services Adoption Assistance Social Services Block Grant	300,680 36,322	389,158 33,405 119,174	88,478 (2,917) 2,814	129,716 107,417				
Discretionary Grants Child Care and Development Child Welfare Services Adoption Assistance Social Services Block Grant Independent Living	300,680 36,322 116,360 738,404	389,158 33,405 119,174 530,633	88,478 (2,917) 2,814 (207,771)	129,716 107,417 448,854				
Discretionary Grants Child Care and Development Child Welfare Services Adoption Assistance Social Services Block Grant	300,680 36,322 116,360 738,404 3,901	389,158 33,405 119,174 530,633 3,454	88,478 (2,917) 2,814 (207,771) (447)	129,716 107,417 448,854 1,579				

COUNTY OF LOUDOUN, VIRGINIA SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2005 (With Comparative Actual Amounts for 2004)

		2005						
	Appellation to the second seco	2000	Variance Positive	2004				
	Final Budget	Actual	(Negative)	Actual				
Adoption incentive payment	3,798	2,500	(1,298)	10,153				
Respite care for foster families	1,644	1,155	(489)	433				
Total Social Services	5,292,238	5,738,204	445,966	4,911,263				
Total welfare/social services	5,448,637	5,894,603	445,966	5,069,697				
Education Aid:								
General Services:			(43.000)					
Other assistance	12,000	*	(12,000)					
Total General Serives	12,000	*	(12,000)					
Total education aid	12,000	5,894,603	433,966	5,069,697				
Total categorical aid	5,460,637	5,084,605	455,860	3,003,037				
Other categorical aid:	•							
County Administrator	35,000		(35,000)	**				
Strategic Watershed Management Grant Total County Administrator	35,000	*	(35,000)	-				
Commonwealth Attornov								
Commonwealth Attorney: V-stop	26,470	26,470	•	37,374				
v-stop Total Commonwealth Attorney	26,470	26,470	*	37,374				
Sheriff's Office:								
Drug Control and System Improvement	37,500	37,500	-	38,227				
LLE block - Direct	24,118	23,814	(304)	26,971				
Highway safety	8,649	8,649	- ,	7,731				
Project Childsafe	7,776	7,776	-	1,500				
Cops universal hiring program	63,125	63,125	- :	120,625				
State criminal alien assistance	36,500	36,530	30	10,608				
Gang Task Force educational Grant	84,874	84,874	*	=				
DCJS domestic preparedness	295,310	295,310	*					
Gang-free schools and community	894,197	894,197	-	454,525				
Alcohol traffic safety	1,973	371	(1,602)	10,527				
Safety incentives to prevent DUI	10,160	10,031	(129)	2,340				
Domestic Violence Grant	50,921	50,921		·····				
Total Sheriff's Office	1,515,103	1,513,098	(2,005)	673,054				
Management and Financial Services:	55.005	EE OGE						
Community development block grant	55,365	55,365 55,365						
Total Management and Financial Services	55,365	35,365	-	_				
General Services: Highway Planning and Construction (ISTEA)	600,561	599,439	(1,122)	1,722,753				
Total General Services	600,561	599,439	(1,122)	1,722,753				
	000,00	,,	, ,					
Building and Development:	44.045	44 245		22,368				
Wetlands Mapping and Inventory	11,315	11,315 11,315		22,368				
Total Building and Development	11,315	11,315	-	22,366				
Fire and Rescue:	9,188	11,188	2,000	14,758				
FEMA - Emergency management prepareness	105,192	25,714	(79,478)	3,778				
VDEM-US Department of Justice equipment	105,192	20,7,7	(10, 1, 0)	140,000				
FEMA FY2002 assistance	_	_	*	36,615				
Hazards emergency planning			_	93,957				
Public emergency assistance	367,215	367,215	_	,,				
VDEM-Domestic preparedness Total Fire and Rescue	481,595	404,117	(77,478)	289,108				
Economic Development:								
Economic Development Economic development	45,502	45,414	(88)	24,498				
Total Economic Development	45,502	45,414	(88)	24,498				
Transportation:								
Highway safety	16,933	1996	(16,933)	150,930				
	<i>(</i> 2							

COUNTY OF LOUDOUN, VIRGINIA SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2005

(With Comparative Actual Amounts for 2004)

		2005		2004
			Variance Positive (Negative)	Actual
	Final Budget	Actual 56,240	(ivegative)	73,586
Highway planning and construction Total Transportation	56,240 73,173	56,240	(16,933)	224,516
Library:				700
Promotion of the humanities	1,320	1,320	-	700
Public Library Construction	325	325		900
Total Library	1,645	1,645	-	1,000
Community Corrections:	42,770	42.770	_	38,480
Criminal justice planning	49,600	49,600		-
Domestic Violence Grant	92,370	92,370	-	38,480
Total Community Corrections	32,370	32,370		00,100
Mental Health and Mental Retardation:	8,000	3,900	(4,100)	24,095
Public Health and Social Services Emergency Fund	421,853	417,555	(4,298)	372,856
Prevention and Treatment of Drug Abuse	18,421	15,885	(2,536)	42,588
Young Offender	298,890	166,070	(132,820)	295,678
Early intervention-substance abuse	•	35,128	1,676	30,033
Path	33,452		16,532	24,532
Community Mental Health Services	-	16,532	10,332	
Mental Health Disaster Assistance and Emergency		- 44.000	(00.4.45)	192,772
Virginia incentive (SIG)	101,198	41,053	(60,145)	70,493
MH Child Development			(185,691)	2,642 1,055,689
Total Mental Health and Mental Retardation	881,814	696,123	(165,691)	1,000,009
Parks and Recreation:	40.043	40.043		: 16,171
National Family Caregiver Support	18,842	18,842	(320)	, a 10,111
Highway Planning and Construction (ISTEA)	60,599	60,279	(320)	240.000
Title II-Weekenders	16,633	16,633	•	240,000 33,265
Title V-YAS (Need catalog no.)	-	- 	(7,616)	58,936
Girls, Inc	65,000	57,384		
Nutrition Program for the Elderly Total Parks and Recreation	41,174 202,248	40,366 193,504	(808)	37,516 385,888
	•			
Family Court Services:	405 507	40.004	(95,506)	22,560
Young offender	135,567	40,061	(55,500)	
Loudoun school probation program	184,089	184,089	-	223,469
Domestic Violence Grant	22,686	22,686	-	-
JJDP-Detention alternatives	22,032	22,032 268,868	(95,506)	246,029
Total Family Court Services	364,374	250,000	(93,300)	240,025
Social Services:	27.077	36,423	8,546	40.022
Food distribution services	27,877 55,709	55,709	0,040	
Community development block grant	173,938	134,821	(39,117)	156,947
Housing-homeless		65,197	(22,995)	66,388
HOPWA	88,192	3,913	(1,847)	5,659
Housing-rental subsidy	5,760	3,313	(46,076)	5,055
Housing-assistance	46,076	40.645	5,369	11,030
Young Offender	5,246	10,615		25,640
Share Shelter Support	44,714	13,320	(31,394)	25,040
Housing Counseling Assistance	1,560	1,560	(000)	200
Fraud free program	5,190	4,201	(989)	989
Total Social Services	454,262	325,759	(128,503)	306,675
Total other categorical aid	4,840,797 10,304,434	4,289,727 10,186,114	(551,070) (118,320)	5,028,032 10,097,729
Total from the Federal government				
Total Revenues	675,076,370	726,085,876	51,009,506	629,057,926
NDITURES				
ral government administration;				
ral government administration; gislative:	4 5 4 4 5 40	4 420 ARA	ፈቦፍ ባድፍ	222 220
ral government administration;	1,544,549 893,312	1,139,484 904,107	405,065 (10,795)	968,656 838,848

COUNTY OF LOUDOUN, VIRGINIA SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2005 (With Comparative Actual Amounts for 2004)

		2004		
		2005	Variance Positive	
	Final Budget	Actual	(Negative)	Actual
General services	4,000	3,000	1,000	3,000
Total legislative	2,441,861	2,046,591	395,270	1,810,504
General and financial administration:	54,968	44,939	10,029	43,187
Boards, commissions and committees	1,281,004	1,207,208	73,796	1,020,542
County Administrator	449,781	261,562	188.219	360,081
Public information & volunteer services	2,444,338	2,173,823	270,515	3,391,955
County Attorney	3,238,359	2,926,331	312,028	2,834,443
Treasurer Commissioner of the revenue	2,095,840	1,841,218	254,622	1,873,930
Management and financial services	10,775,874	9,955,550	820,324	8,896,509
Information technology	11,667,205	10,761,741	905,464	11,058,700
General services	1,762,798	1,317,954	444,844	1,384,718
Nondepartmental	18,577	901,620	(883,043)	464,309
Total general and financial administration	33,788,744	31,391,946	2,396,798	31,328,374
Elections administration:			(100)	040.074
Boards, commissions and committees	226,050	226,246	(196)	212,874
General registrar	390,440	380,732	9,708	306,096
General services	98,010	99,649	(1,639) 7.873	97,963 616,933
Total elections administration	714,500	706,627	2,799,941	33,755,811
Total general government administration	36,945,105	34,145,164	2,799,94]	33,733,011
Judicial administration:				
Courts: Clerk of the Circuit Court	2,560,734	2,491,501	69,233	2,318,579
Sheriff	1,880,432	2,086,884	(206,452)	1,723,535
General services	474,900	479,970	(5,070)	453,230
Courts (Circuit and District)	903,189	769,704	133,485	758,398
Total courts	5,819,255	5,828,059	(8,804)	5,253,742
Commonwealth's Attorney:		0.000.000	224 970	2 240 264
Commonwealth's Attorney	2,611,867	2,289,988	321,879 321,879	2,310,264 2,310,264
Total Commonwealth's Attorney Total judicial administration	2,611,867 8,431,122	2,289,988 8,118,047	313,075	7,564,006
Public Safety:				
Law enforcement and traffic control:				
Regional organizations and contributions	583,712	544,319	39,393	529,512
Sheriff	30,825,457	28,908,280	1,917,177	23,991,845
General services	1,375,332	1,323,428	51,904	795,087
Total law enforcement and traffic control	32,784,501	30,776,027	2,008,474	25,316,444
Fire and rescue services:	5,874	316	5,558	60
Boards, commissions & committees	543,241	476,909	66,332	433,674
General services	29,491,240	26,464,482	3,026,758	24,139,394
Fire, rescue and emergency services Total fire and rescue services	30,040,355	26,941,707	3,098,648	24,573,128
Corrections and detention:				
Sheriff	9,645,166	7,799,611	1,845,555	7,026,883
General services	274,009	215,410	58,599	240,993
Community court services	1,066,640	968,664	97,976	847,562
Parks and recreation	225,779	195,169	30,610	257,767
Family court service unit	1,221,861	1,092,056	129,805	917,579
Social services	2,358,691	2,148,712	209,979	2,016,034
Total corrections and detention	14,792,146	12,419,622	2,372,524	11,306,818
Inspections:	6,788,826	6,294,633	494,193	5,956,672
Building & development	6,788,826	6,294,633	494.193	5,956,672
Total inspections	0,7 00,020	0,20-1,000		· += 1= · =

Other protection:

COUNTY OF LOUDOUN, VIRGINIA SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2005

(With Comparative Actual Amounts for 2004)

		2005		2004
•			Variance Positive	
	Final Duringt	Actual	(Negative)	Actual
	Final Budget 2,653	2,850	(197)	3,300
Sheriff General services	82,369	79,176	3,193	70,885
Animal control	1,964,205	1,746,168	218,037	1,546,876
Total other protection	2,049,227	1,828,194	221,033	1,621,061
Total public safety	86,455,055	78,260,183	8,194,872	68,774,123
Public works:				
Maintenance of highways, bridges and sidewalks:				
General services	2,689,125	2,028,790	660,335	2,521,414
Office of transportation	3,778,520	3,715,012	63,508	3,635,965 6,157,379
Total maintenance of highways, streets, bridges and sidewa	6,467,64 5	5,743,802	723,843	0,157,579
Sanitation and waste removal:	64,065	58,039	6,026	76,408
General services	2,712,576	2,429,091	283,485	2,417,495
Office of solid waste management	2,776,641	2,487,130	289,511	2,493,903
Total sanitation and waste removal	2,710,04	2,30,3,00		,
Maintenance of general buildings and grounds: General services	7,813,290	6,800,633	1,012,657	7,278,316
Total maintenance of general buildings and grounds	7,813,290	6,800,633	1,012,657	7,278,316
Total public works	17,057,576	15,031,565	2,026,011	15,929,598
Health and Welfare:				
Health:		5045	4.000	7 750
Boards, commissions and committees	7,750	5,912	1,838	7,750 202,302
Regional organizations and contributions	189,916	189,916	293,475	202,302 3,407,985
Health services	3,732,775	3,439,300	295,313	3,618,037
Total health	3,930,441	3,633,120	255,515	3,010,001
Mental health and mental retardation: Boards, commissions and committees	8,210	7,913	297	10,354
General services	312,614	295,584	17,030	266,343
Mental health and mental retardation	24,642,816	21,751,790	2,891,026	19,517,262
Total mental health and mental retardation	24,963,640	22,055,287	2,908,353	19,793,959
Property tax relief for the elderly/handicapped:				0.444400
Nondepartmental	2,000,000	3,410,516	(1,410,516)	2,444,129
Total property tax relief-elderly/handicapped	2,000,000	3,410,516	(1,410,516)	2,444,129
Welfare/social services:	A 450	2,722	1,436	2,102
Boards, commissions and committees	4,158 696,219	690,374	5,845	499,380
Regional organizations and contributions	55,365	55,409	(44)	,
Management and financial services	735,128	656,260	78,868	714,050
General services Parks and recreation	3,187,663	3,080,943	106,720	3,065,807
Social services	17,446,283	15,413,619	2,032,664	14,275,879
Total welfare/social services	22,124,816	19,899,327	2,225,489	18,557,218
Total health and welfare	53,018,897	49,000,258	4,018,639	44,413,343
Parks, recreation and culture:	•			
Parks and recreation:				
Boards, commissions and committees	2,336	2,336	-	- 779,379
Regional organizations	837,245	837,245	2 752	
Information Technology	7,881	4,128	3,753 55,409	12,751 1,533,979
General Services	1,091,838	1,036,429 18 134 271	1,656,202	16,863,016
Parks and recreation	19,790,473	18,134,271 20,014,409	1,715,364	19,189,125
Total parks and recreation	21,729,773	20,014,403	1,110,004	15, 166, 125
Cultural enrichment:	408,214	408,214	*	353,514
Regional organizations and contributions	74,078	82,380	(8,302)	77,428
General services	175,789	147,902	27,887	110,756
Parks and recreation Total cultural enrichment	658,081	638,496	19,585	541,698
total cultural difficilitient		• •		

COUNTY OF LOUDOUN, VIRGINIA SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2005 (With Comparative Actual Amounts for 2004)

		2005		2004
		***************************************	Variance Positive	
	Final Budget	Actual	(Negative)	Actual
Library:				
Boards, commissions and committees	2,762	2,222	540	1,004
General services	351,799	264,605	87,194	306,712
Library services	9,762,441	9,327,243	435,198	8,710,200
Total library	10,117,002	9,594,070	522,932	9,017,916
Total parks, recreation and culture	32,504,856	30,246,975	2,257,881	28,748,739
Community development:				
Planning and community development:	001 77 17	20E 247	16 200	211 606
Boards, commissions and committees	221,547	205,247	16,300	211,605
County Administrator	143,951	43,161	100,790	144,250
Regional organizations and contributions	490,495	490,495	50.404	413,332
General services	1,960,860	1,904,666	56,194	3,094,090
Building & development	10,396,134	8,929,533	1,466,601	8,526,762
Planning, zoning and community development	2,452,287	1,971,798	480,489	1,958,501
Economic development	1,858,199	1,682,057	176,142	1,751,991
Office of mapping and geographic information	1,836,445	1,730,227	106,218	1,621,646
Office of transportation	646,646	617,781	28,865	579,253
Total planning and community development	20,006,564	17,574,965	2,431,599	18,301,430
Environmental management:		F4 4 074	(103,106)	447,795
Boards, commissions, and committees	411,565	514,671	146,453	•
Office of solid waste management	943,096	796,643	43,347	781,71 <u>4</u> 1,229,509
Total environmental management	1,354,661	1,311,314	43,347	. 1,229,509
Cooperative extension program:	204.004	100 645	22.240	200,185
Public information & volunteer services	204,864	182,645	22,219	
General services	-	100.004	20.400	(83)
Extension services	488,164	465,984	22,180	428,854
Total cooperative extension program	693,028	648,629	44,399	628,956
Total community development	22,054,253	19,534,908	2,519,345	20,159,895
Education:				
Operation and maintenance services:		25 700		
General services		25,798 25,798		
Total operation and maintenance services	•	25,796	*	-
Community colleges:	225,706	225,706	_	204,889
Regional organizations and contributions	225,706	225,706		204,889
Total community colleges		251,504		204,889
Total education	225,706	251,504		
Total Expenditures	256,692,570	234,588,604	22,129,764	219,550,404
Excess of revenues over expenditures	418,383,800	491,497,272	73,139,270	409,507,522
Other financing sources (uses):		0.040.000	(470.050)	0.40.405
Transfers-in	2,687,058	2,213,206	(473,852)	949,125
Transfers-out	(97,150,238)	(96,372,169)	778,069	(61,263,599)
Payment from School Board	-	335,120	335,120	348,875
Payment to School Board	(368,720,707)	(368,720,707)	(0.05, 0.00)	(318,466,529)
Lease/purchase financing	865,000	-	(865,000)	
Total other financing sources (uses)	(462,318,887)	(462,544,550)	(225,663)	(378,432,128)
Excess of revenues and other financing sources over (under)				
expenditures and other financing uses	(43,935,087)	28,952,722	72,887,809	31,075,394
Fund balances at beginning of year	119,095,635	119,095,635	-	88,020,241
Fund balances at end of year	\$ 75,160,548	\$ 148,048,357	\$ 72,887,809	\$ 119,095,635

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

<u>Route 28 Special Improvements Fund</u> - This fund is used to account for the proceeds from the Route 28 Transportation Taxing District that are legally restricted to expenditures for transportation in that district.

Broad Run Farms Sewer Improvements Fund - This fund is used to account for the proceeds from the Broad Run Farms Sewer Taxing District that are legally restricted to expenditures for sewers in that district.

Aldie Sewer Service District Fund - This fund is used to account for the proceeds from the Aldie Sewer Service Taxing District that are legally restricted to expenditures for sewers in that district.

Comprehensive Services Act Fund - This fund is used to account for the general operations of the County's Comprehensive Services for At-Risk Youth and Families. Financing is provided primarily by transfers from General Fund and from State grants.

<u>Community Development Fund</u> - This fund is used to account for the operations of the Community Development Block Grant program. Financing is provided by the Federal grant to be used only for community development purposes.

Legal Resource Center Fund - This fund is used to account for the operations of the Law Library. Financing is provided through court order assessments and other contributions.

Federally Forfeited Property Fund - This fund is used to account for the proceeds from confiscated property that are restricted to use for law enforcement purposes.

Hotel and Motel Room Tax Fund - This fund is used to account for 3% of the 5% Transient Occupancy Tax collected from lodging facilities in the County. These funds are used to promote tourism in the County (2% of Transient Occupancy Tax collected is unrestricted and is used as part of the General Fund).

<u>County-Wide Sewer Service District Fund</u> - This fund is used to account for the proceeds from the Virginia Resources Authority that are legally restricted to expenditures for small water facility projects in the County.

Hamilton Sewer Service District Fund - This fund is used to account for the proceeds from the Hamilton Sewer Service Taxing District that are legally restricted to expenditures for sewers in that district.

<u>Community Development Authority Fund</u> - This fund is designed to collect a special assessment on real property for the purpose of paying debt service to finance and construct public infrastructure at the Dulles Town Center development.

<u>Purchase of Development Rights Fund</u> - This fund is used to account for the County-managed Purchase of Development Rights program. These funds are used to enter agreements with landowners to purchase development rights of their property.

Emergency 911 Fund - This fund is used to account for the operations of the County's Emergency Communications Center. Financing is provided by local fees and charges, State funding, and transfers from the General Fund.

Rental Assistance Fund - This fund is used to account for proceeds received from the U.S. Department of Housing and Urban Development (HUD) so the County can act as direct administrator for the Section 8 Rental Assistance Program.

<u>Public Transportation Fund</u> - This fund is used to account for the County's share of construction costs associated with Phases II and III of the Dulles Transit Project. These funds are restricted to this project.

Revenue Maximization Fund - This fund is designed to secure additional Federal revenue for local social service activities. The new funds cannot be used to supplant other funds. These funds cannot be substituted for existing financial commitments on the part of the state and local government.

Loudoun Legacy Fund - This fund is designed to provide citizens the opportunity to voluntarily contribute funds above and beyond the taxes levied on real estate. Donors have the ability to designate any contributions for the departments and agencies of their choice and the fund is restricted accordingly.

State and Local Emergency Preparedness - The State and Local Emergency Prepareness (SLEP) Program is available through a Department of Defense grant. These SLEP funds will be used to acquire equipment needed to adequately respond to incidents of terrorism. The County's funds will be used to expand the Mobile Data Terminal Program to improve communication capabilities for public safety personnel.

<u>Public Facilities Fund</u> - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for any public facility or service purposes.

Sheriff's Fund - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for law enforcement purposes.

Animal Shelter Fund - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the animal shelter.

Housing Fund - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for affordable housing in the County.

Transportation District Fund - This fund is used to account for monies collected as local gas sales tax, restricted to use for transportation purposes.

Environmental Fund - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to the use for environmentally sensitive purposes.

Uran Holocaust Fund - This fund is used to account for monies provided by a private donor, restricted to use for the purchase of educational holocaust materials in the libraries.

Beautification Fund - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the planting of trees on the Route 15 bypass.

Horton Program For The Arts Fund - This fund is used to account for monies provided by private donors, restricted to use for the funding of cultured and arts programs at the Eastern Loudoun Regional Library.

Symington Fund - This fund is used to account for monies provided by private donor, restricted to use only for public purposes, including purchase or construction of improvements, purchase of books, services, and equipment in the Rust Library.

Capital Funds

Capital funds are used to account for the acquisition, construction or replacement of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Projects Fund - The fund is used to account for the purchase and/or construction of major capital facilities, including buildings, land, major equipment, and other long-lived improvements for the general government. Financing is provided primarily by bond issues, State and Federal grants, and transfers from the General Fund.

Capital Asset Replacement Fund - This fund is used to account for the repair and/or replacement of major capital facilities, including buildings, major equipment, and other long-lived improvements for the general government. Financing is provided primarily by transfers from the General Fund.

Debt Service Funds

Debt Service Fund - This fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs. Financing is provided primarily by transfers from the General Fund.

Permanent Fund

Peabody Trust Fund - This fund is used to account for monies provided through a private donor, the corpus of which is nonexpendable. The interest earned on fund assets may be used only for school expenses.



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COUNTY OF LOUDOUN, VIRGINIA OTHER GOVERNMENTAL FUNDS AS OF JUNE 30, 2005

	Route 28	Broad Run	Aldie Sewer	Comprehensiv	'e	Legal	Federally
	Special	Farms Sewer	Service	Services	Community	Resource	Forfeited
	Improv.	Improv.	District	Act	Devel.	Center	Property
ASSETS							
Cash and Cash Equivalents	\$ 2,219,034	\$ 414,931	\$ 82,706	\$ 2,005,380	\$ 6,400	\$ -	\$147,242
Cash and Investments with Fiscal Agents	Ψ 2,210,20 r		,	,,,	· · ·		· · ·
Receivables, Net:							
Taxes	75,211	2,189	4,308		_	_	-
Accounts	, w, m, r .	-,	-,	210		-	-
Due from Other Governments		_	-	1,132,427	-	-	_
Advances to Employees	_	_		.,	-	_	-
Prepaid Items	_	-	-		_	-	_
Notes and Loans Receivable, Net	_				-	-	-
Total Assets	\$ 2,294,245	\$ 417,120	\$ 87,014	\$ 3,138,017	\$ 6,400	\$ -	\$147,242
Total Assets	<u> </u>						
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ 2,219,034	\$ -	\$ -	\$ 696,254	\$ -	\$ 5,746	\$ -
Accrued Liabilities	-	*	-		·	986	· -
Prepaid Revenue	10,306	_	_	÷	-	_	-
Deferred Revenue:	,-1						
Property Taxes	75,211	2.189	4,308	-	-	_	_
Other		· -		-	Na.	-	
Due to Other Funds	٠	_		_	-	223	_
Other Liabilities	-	-	-	_	17,789	_	12,561
Total Liabilities	2,304,551	2,189	4,308	696,254	17,789	6,955	12,561
Fund Balances:				***************************************			****
Reserved for:							
Prepaid Items	-	-			~	-	-
Encumbrances	-	-	~	-	<u></u>	-	7,925
Notes and Loan Receivable	_	_	_	-	~	-	-
Permanent Fund-Expendable	-	_	~	~	-	-	-
Permanent Fund-Nonexpendable	_	_	-	-	-	-	-
Unreserved, reported in:							
Special Revenue Funds:							
Designated for Fiscal Cash Liquidity	-	_	_	360,000	-	-	-
Undesignated	(10,306)	414,931	82,706	2,081,763	(11,389)	(6,955)	126,756
Capital Project Funds:	, . ,	•					
Designated for Capital Appropriation		-	-	_	~		
Total Fund Balances	(10,306)	414,931	82,706	2,441,763	(11,389)	(6,955)	134,681
Total Liabilities and Fund Balances	\$ 2,294,245	\$ 417,120	\$ 87,014	\$ 3,138,017	\$ 6,400	\$ -	\$147,242

Hotel and Motel Room Tax		County-Wide Sewer Service District		Sew	lamilton er Service District		mmunity Devel. uthority	Ε	chase of Devel. Rights	En	nergency 911 Fees	Ass	Rental sistance ogram	Tran	Public sportation Fund	levenue (imization
\$	598,758	\$	253,918	\$	278,584	\$ 1	,182,948	\$	81,250	\$	5,378,162	\$	<u>.</u>	\$	32,964	\$ 560,416
					2.252										_	
	784,915		*		3,353		-		-		-		114,320		_	_
	*		-		-		-		-		21,678		292,753		-	-
			-		-				-		21,010		202,700		_	_
	-				-		_		-		_		557,686		_	_
			400.000		53,670		2		-				-		-	_
\$	1,383,673	\$	196,868 450,786	\$	335,607	\$ 1	,182,948	\$	81,250	\$	5,399,840	\$	964,759	\$	32,964	\$ 560,416
\$	-	\$	- -	\$	- - 745	\$	- -	\$	-	\$	119,692 145,239	\$	494 22,124	\$	- -	\$ 650 23,749
			_		3,353				-		-		-		~	_
	_		182,983		-		-		_		_		290,115		_	536,017
			102,550	*	_		_		-		-		547,967		•••	-
	_		_		-				-		-		104,059		-	_
			182,983		4,098						264,931		964,759		-	 560,416
			_		-		_		_		-		557,686		-	_
			_		~		_		_		_		77		-	91,814
			196,868		53,670		_		-		-		-		-	-
	_						~		-		_		-		-	•
	-		-				-		-		-		-		-	-
					_		_		_		•		-		-	
	1,383,673		70,935		277,839	1	,182,948		81,250	,	5,134,909	(557,763)		32,964	(91,814)
	·m						-		*		_		_			 ***
	1,383,673	***	267,803		331,509		,182,948		81,250		5,134,909				32,964	
-\$	1,383,673	\$	450,786	\$	335,607	\$ 1	,182,948	\$	81,250	\$:	5,399,840	\$	964,759	\$	32,964	\$ 560,416

COUNTY OF LOUDOUN, VIRGINIA COMBINING BALANCE SHEET OTHER GOVERNMENTAL FUNDS AS OF JUNE 30, 2005

Special Revenue Funds State & Local Transportation Animal **Public Emergency** Loudoun Housing District Sheriff's Shelter Preparedness **Facilities** Legacy **ASSETS** \$1,752,006 246,670 \$ 47,744,335 \$ 30,231 15,418 2,870 Cash and Cash Equivalents 16,303,214 Cash and Investments with Fiscal Agents Receivables, Net: Taxes 1,060,661 Accounts 126,246 Due from Other Governments Advances to Employees 2,275 Prepaid Items 59,000 Notes and Loans Receivable, Net 17,366,150 \$1,811,006 246,670 141,664 \$ 47,744,335 \$ 30,231 2,870 \$ **Total Assets** LIABILITIES AND FUND BALANCES Liabilities: 189,795 7.066 225,337 604 Accounts Payable 27.949 Accrued Liabilities Prepaid Revenue Deferred Revenue: **Property Taxes** Other 3,862,689 113,715 Due to Other Funds 102,360 Other Liabilities 4,052,484 7,066 604 141,664 327,697 **Total Liabilities** Fund Balances: Reserved for: 2,275 Prepaid Items 308,457 29,013 Encumbrances 59,000 Notes and Loan Receivable Permanent Fund-Expendable Permanent Fund-Nonexpendable Unreserved, reported in: Special Revenue Funds: Designated for Fiscal Cash Liquidity 239,604 1,752,006 13,002,934 29,627 47,416,638 2,870 (29,013)Undesignated Capital Project Funds: Designated for Capital Appropriation 29,627 239,604 1,811,006 13,313,666 47,416,638 2,870 **Total Fund Balances** 246,670 \$1,811,006 17,366,150 \$ 30,231 2,870 141,664 \$ 47,744,335 \$ **Total Liabilities and Fund Balances**

Envir	onmental	H	Uran olocaust	Beau	tification		n Program the Arts	Symington		Capital Fund Capital Asset Replacement	Perr	manent Fund Peabody Trust Fund	Go	Total Other overnmental Funds
•	1,488	\$	579,663	\$	6,342	\$	12,623	\$	2,515,778	\$ 5,928,748	\$	42,909	\$	72,121,774
\$	1,400	Φ	\$1 9,000°	Ψ.	-	*			· · ·			-		16,303,214
														869,976
	-		-		•		-		-	-		_		1,175,191
			-		-		-			19,370		_		1,592,474
	-		-		-		-		-	30		149		179
	-		-		-		400		-			,		560,361
	-		-		-		400		-			_		309,538
	÷		-			\$	13,023	-\$	2,515,778	\$ 5,948,148	\$	43,058	\$	92,932,707
	1,488	\$	579,663	\$	6,342		13,023		2,313,710					
•		\$	7,919	\$		\$	-	\$	-	\$ 309,481	\$	-	\$	3,810,021
\$	-	Φ	1,515	Ψ	_	*		•	_	_		-		192,098
	-		-		-		-			-		-		11,051
			-		-		-		-	-		~		85,061
			_		-		+		-	<u>.</u>		-		1,009,115
	-				-		-		~	-		-		4,524,594
	_				-		- '						_	236,769
			7,919				-	w		309,481				9,868,709
					_		400		-	-		-		560,361
	_		2,116		-		400		_	1,316,810		-		1,756,612
	-		_,		-		-		-	-		-		309,538
	_		_		_		_		-	-		7,337		7,337
	-		-		-		-		**	-		35,721		35,721
									-	,		-		360,000
	1,488		569,628		6,342		12,223		2,515,778	-		•		75,712,572
	_		_		_		-			4,321,857			_	4,321,857
	1,488		571,744	***************************************	6,342	-	13,023		2,515,778	5,638,667		43,058		83,063,998
\$	1,488	-\$	579,663	\$	6,342	\$	13,023	\$	2,515,778	\$ 5,948,148	\$	43,058	\$	92,932,707

COUNTY OF LOUDOUN, VIRGINIA COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OTHER GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2005

	Special Revenue Funds												
	Route 28 Special Improvements	l Farms Sewer				Comprehensive Services Act	Co	mmunity velopment	Re	egal source enter	Feder Forfei Prope	ted	
REVENUES													
General Property Taxes	\$ 5,947,229	\$	582,394	\$	52,875	\$ -	\$	-	\$	**	\$	-	
Other Local Taxes	_		-		-	-		-		-		-	
Intergovernmental	-		-			2,939,233		~		_		+	
Charges for Services	-		-		-	-		-		39,175		-	
Use of Money and Property	-		-		-	-		-		-	2,6		
Recovered Costs	-		-		*	344,825		1,000		-	36,0	154	
Gifts and Donations	-		-		-			-		-		-	
Miscellaneous	-							-					
Total Revenues	5,947,229		582,394		52,875	3,284,058		1,000		39,175	38,6	98	
EXPENDITURES		_											
Current Operating:													
Judicial Administration	-		-		-	<u></u>		-		42,022		_	
Public Safety	-		-			-		-		-	3,4	100	
Public Works	5,983,598		1,386,751		27,480	-		-		-		-	
Health and Welfare	-		-		-	5,754,857		-		-		-	
Parks, Recreation and Culture	-		-		-	-						-	
Community Development	-		-			-		220		-		-	
Education	-		-			=		**		**		-	
Capital Outlay	_		-		-			-		-		-	
Debt Service:													
Principal Payments	-		-		-	=		-		~		-	
Interest and Service Charges	-											-	
Total Expenditures	5,983,598		1,386,751		27,480	5,754,857		220		42,022	3,4	100	
Excess (Deficiency) of Revenues	******									(0.0.47)	25.0		
Over (Under) Expenditures	(36,369)		(804,357)		25,395	(2,470,799)		780		(2,847)	35,2	98	
OTHER FINANCING SOURCES (USES)													
Transfers In	36,232		-		_	2,447,185		-		•	(42.5	-	
Transfers (Out)			(194,784)								(12,8		
Total Other Financing Sources (Use			(194,784)			2,447,185		780		/2.9.475			
Net Change in Fund Balances	(137)		(999,141)		25,395	(23,614)				(2,847)	22,4 112,2		
Fund Balances at Beginning of Year	(10,169)		1,414,072		57,311	2,465,377	-	(12,169)		(4,108) (6,955)	\$134,6		
Fund Balances at End of Year	\$ (10,306)	\$	414,931	\$	82,706	\$ 2,441,763	\$	(11,389)	Þ	(0,300)	\$134,0	101	

Hotel and Motel Room Tax	County-Wide Sewer Service District	Hamilton Sewer Service District	Community Development Authority	Purchase of Development Rights	Emergency 911 Fees	Rental Assistance Program	Public Transportation Fund	Revenue Maximization
\$ -	\$ -	\$ 115,102	\$ 2,414,874	\$ -	\$ ~	\$ -	\$ -	\$ -
3,061,440	-	<u></u>	-	<u></u>	7,243,107	7,455,861	_	688,627
•	99,574	-	-	•	264,940	7,450,001	_	000,027
-	-	-		~	-	_		
-	10,146	-	-	-	250,638	384,413	•	~
-	318		· .	-	230,000	OD-1,110	-	*
~	* -	-	-		_	13,676	***	~
2.064.440	110,038	115,102	2,414,874		7,758,685	7,853,950	-	688,627
3,061,440	110,036	110,102						
70	-	-	_	-		<u></u>	-	22.547
_		w	-	w	5,892,781	-	***	23,547
"	**	-	*	-	-	7,853,950	-	648,134
-	4,500	NAME .	-	-	-	7,853,950	_	040,104
1,455,603	-		- +00.050	~	-	_	_	_
-		144,785	2,463,852	-		-		-
-	-		-	-	_ 	-	<u> -</u>	-
7		-						
-	95,069	-	-	-	· -	-	~	-
	10,469				-			
1,455,603	110,038	144,785	2,463,852		5,892,781	7,853,950		671,681
1,605,837		(29,683)	(48,978)	<u> </u>	1,865,904	<u></u>		16,946
12,000	_	88,000	-	-	62,571	-	300,000	17,312
(109,876)	-	-	*	_	(1,525,753)		(300,000)	(34,258)
(97,876)	-	88,000			(1,463,182)	-		(16,946)
1,507,961	-	58,317	(48,978)	+	402,722	-		-
(124,288)	267,803	273,192	1,231,926	81,250	4,732,187		32,964	
\$ 1,383,673	\$ 267,803	\$ 331,509	\$ 1,182,948	\$ 81,250	\$ 5,134,909	\$ -	\$ 32,964	\$ -

COUNTY OF LOUDOUN, VIRGINIA COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OTHER GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2005

		udoun gacy	State & Local Emergency Preparedness		Public Facilities		Sheriff's		Animal Shelter		Housing		Transportation District	
REVENUES		.g					***************************************							
General Property Taxes	\$	-	\$	-	\$	-	\$	-	\$	-	\$		\$	
Other Local Taxes	•	_				-		-		-		-		5,485,615
Intergovernmental		-		708,303		-		-	3	,194		-		-
Charges for Services		-		-		-		-		-				-
Use of Money and Property		43		-	1,	037,537		-	ž.	,968	1	5,138		361,395
Recovered Costs				-		-				-		-		-
Gifts and Donations		2,727			19,	555,298		25,733	22	,732				-
- (±,,,		-				_		-		0,687		-
Miscellaneous		2,770		708,303	20.	592,835		25,733	35	,894	11	5,825		5,847,010
Total Revenues	==	2,370					-		=====	***	*****			
EXPENDITURES														
Current Operating:						_		-		-				-
Judicial Administration		-		414,241		660,510		25,682	7	,544		-		_
Public Safety		-		414,241						-		<u>.</u>		-
Public Works		-		-		-		_		_		-		_
Health and Welfare		-		-		-		_		_		_		-
Parks, Recreation and Culture		-		_	7	115,567		_		_		-		1,898,282
Community Development		-		-		047,481				_		_		-
Education		-			*	1 04, 140		-		_		_		_
Capital Outlay		-		-		-		•		_				
Debt Service:										_		_		-
Principal Payments		-				-		7		_				_
Interest and Service Charges		_						25,682		,544			-	1,898,282
Total Expenditures				414,241	8,	823,558		25,002		,344				,,000,000
Excess (Deficiency) of Revenues						~~~ ~~~		51	25	3,350	11	5,825		3,948,728
Over (Under) Expenditures		2,770		294,062	11	769,277	-	<u> </u>		,330	3 1	5,025		0,040,720
OTHER FINANCING SOURCES (USES)											1.00	0,000		
Transfers In		-		-				-	-	- 000	1,00	0,000		(1,226,206)
Transfers (Out)			-	(294,062)		785,543)				7,000)	1.00	0.000		(1,226,206)
Total Other Financing Sources (uses	s}			(294,062)		785,543)		<u>-</u> 51		,000)		5,825		2,722,522
Net Change in Fund Balances	-	2,770		-	,	,016,266)				350		5,625 5,181		10,591,144
Fund Balances at Beginning of Year		100	****			432,904		29,576		3,254	\$1,81		\$	13,313,666
Fund Balances at End of Year	\$	2,870	\$		\$ 47	416,638	\$	29,627	\$ 239	1,004	Φ1,61	1,000	-	10,010,000

Enviro	nmental	Uran Holocaust	Beautification	Horton Program For the Arts	Symington	Capital Fund Capital Asset Replacement	Permanent Fund Peabody Trust Fund	Total Other Governmental Funds
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,112,474
Ψ	_	-		-		204,015	-	15,994,177
	_	700	_	_	-	19,370	u	12,184,102
	_	_	-	-	-	60	-	39,235
	~	18,469	133	270	10,298		372	1,461,413
	_	10,403		_		•	-	1,017,248
	-	-		1,000	2,505,480	-	-	22,112,970
	-	~		.,	,,-		-	114,363
	-	18,469	133	1,270	2,515,778	223,445	372	62,035,982
							_	42,022
	-	-	-	-	-	-		7,027,705
	-		-	-	-	4 600 660	-	9,006,492
	-	•	-	•	-	1,608,663	-	14,261,441
	-	-	-	-	-	-	-	1,626,518
	-	170,915	-	-	=	·-	-	11,622,706
	_	*	-	+	•	-	0.400	1,049,581
	-	-		-	-	-	2,100	257,856
	•	an.	-	-	~	257,856	-	237,630
			_	-	÷	7	•	95,069
	-	-	_	_	_	<u></u>	_	10,469
		170,915				1,866,519	2,100	44,999,859
	-	(152,446)	133	1,270	2,515,778	(1,643,074)	(1,728)	17,036,123
			_	-	-	2,125,000	-	6,088,300
	-	-	_	-		_	-	(21,490,322)
						2,125,000	-	(15,402,022)
		(152,446)	133	1,270	2,515,778	481,926	(1,728)	1,634,101
	4 400		6,209	11,753		5,156,741	44,786	81,429,897
\$	1,488 1,488	724,190 \$ 571,744	\$ 6,342	\$ 13,023	\$ 2,515,778	\$ 5,638,667	\$ 43,058	\$ 83,063,998

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE ROUTE 28 SPECIAL IMPROVEMENTS FUND FOR THE YEAR ENDED JUNE 30, 2005

		Final Budgeted A Amount A			iance with al Budget Positive legative)
Resources (Inflows) General Property Taxes	\$ 5,814	4,000 \$	5,947,229	\$	133,229
Transfers from Other Funds		*	36,232		36,232
Amounts Available for Appropriation	5,814	4,000	5,983,461		169,461
Charges to Appropriations (Outflows)	r. 04.	4.000	5,983,598		(169,598)
Public Works	5,814	<u> </u>	5,983,598		(169,598)
Total Charges to Appropriations	5,814	4,000	3,963,396		(100,000)
Excess (Deficiency) of Resources Over			(137)		(137)
Charges to Appropriations	(4)	- 400)	(10,169)		(101)
Fund Balance at Beginning of Year	***************************************	0,169)	(10,306)		(137)
Fund Balance at End of Year	\$ (10	D,169) \$	(10,306)	<u> </u>	(131)

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE BROAD RUN FARMS SEWER IMPROVEMENTS FUND FOR THE YEAR ENDED JUNE 30, 2005

	Final Budgeted Actual Amount Amount			Variance witl Final Budge Positive (Negative)		
Resources (Inflows) General Property Taxes	\$	467,347	\$	582,394	\$	115,047
Amounts Available for Appropriation	···	467,347		582,394		115,047
Charges to Appropriations (Outflows) Public Works		1,387,047 194,784		1,386,751 194,784		296
Transfers to Other Funds Total Charges to Appropriations	**************************************	1,581,831		1,581,535		296
Excess (Deficiency) of Resources Over Charges to Appropriations Fund Balance at Beginning of Year Fund Balance at End of Year	<u> </u>	(1,114,484) 1,414,072 299,588	\$	(999,141) 1,414,072 414,931	\$	115,343 - 115,343

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE ALDIE SEWER SERVICE DISTRICT FUND FOR THE YEAR ENDED JUNE 30, 2005

	Final Budgeted Amount		Actual .mount	Variance with Final Budget Positive (Negative)	
Resources (Inflows)	\$	44,010	\$ 52,875	\$	8,865
General Property Taxes Amounts Available for Appropriation		44,010	 52,875		8,865
Charges to Appropriations (Outflows) Public Works Total Charges to Appropriations	4400	44,010 44,010	 27,480 27,480		16,530 16,530
Excess (Deficiency) of Resources Over Charges to Appropriations Fund Balance at Beginning of Year Fund Balance at End of Year	\$	57,311 57,311	\$ 25,395 57,311 82,706	\$	25,395 - 25,395

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE COMPREHENSIVE SERVICES ACT FUND FOR THE YEAR ENDED JUNE 30, 2005

		al Budgeted Amount		Actual Amount		Fii Actual		Variance with Final Budget Positive (Negative)	
Resources (Inflows) Intergovernmental Recovered Costs Transfers from Other Funds Amounts Available for Appropriation	\$	3,563,788 519,000 2,447,185 6,529,973	\$	2,939,233 344,825 2,447,185 5,731,243	\$	(624,555) (174,175) - (798,730)			
Charges to Appropriations (Outflows) Health and Welfare Total Charges to Appropriations Excess (Deficiency) of Resources Over Charges to Appropriations	-	7,530,473 7,530,473 (1,000,500) 2,465,377	***************************************	5,754,857 5,754,857 (23,614) 2,465,377		1,775,616 1,775,616 976,886			
Fund Balance at Beginning of Year Fund Balance at End of Year	\$	1,464,877	\$	2,441,763	\$	976,886			

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE LEGAL RESOURCES CENTER FUND FOR THE YEAR ENDED JUNE 30, 2005

	Budgeted mount	Actual .mount	Fina Po	ance with I Budget ositive egative)
Resources (Inflows) Charges for Services Amounts Available for Appropriation	\$ 32,953 32,953	\$ 39,175 39,175	\$	6,222 6,222
Charges to Appropriations (Outflows) Judicial Administration Total Charges to Appropriations	 36,953 36,953	 42,022 42,022		(5,069) (5,069)
Excess (Deficiency) of Resources Over Charges to Appropriations Fund Balance at Beginning of Year Fund Balance at End of Year	\$ (4,000) (4,108) (8,108)	\$ (2,847) (4,108) (6,955)	\$	1,153 - 1,153

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE FEDERALLY FORFEITED PROPERTY FUND FOR THE YEAR ENDED JUNE 30, 2005

	Final Budge Amount		Actual Amount		ance with al Budget ositive egative)
Resources (Inflows) Use of Money and Property Recovered Costs Amounts Available for Appropriation	\$	- \$ - -	2,644 36,054 38,698	\$	2,644 36,054 38,698
Charges to Appropriations (Outflows) Public Safety Transfers to Other Funds Total Charges to Appropriations	3,4 12,8 16,2	40	3,400 12,840 16,240		-
Excess (Deficiency) of Resources Over Charges to Appropriations Fund Balance at Beginning of Year Fund Balance at End of Year	(16,2 112,2 \$ 95,9	23	22,458 112,223 134,681	\$	38,698

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE HOTEL AND MOTEL ROOM TAX FUND FOR THE YEAR ENDED JUNE 30, 2005

	Final Budgeted Amount	<u> </u>	
Resources (Inflows) Other Local Taxes Transfers from Other Funds Amounts Available for Appropriation	\$ 1,716,000 12,000 1,728,000	\$ 3,061,440 12,000 3,073,440	\$ 1,345,440 1,345,440
Charges to Appropriations (Outflows) Parks, Recreation and Culture Transfers to Other Funds Total Charges to Appropriations	1,455,603 236,055 1,691,658	1,455,603 109,876 1,565,479	126,179 126,179
Excess (Deficiency) of Resources Over Charges to Appropriations Fund Balance at Beginning of Year Fund Balance at End of Year	36,342 (124,288) \$ (87,946)	1,507,961 (124,288) \$ 1,383,673	1,471,619 \$ 1,471,619

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE COUNTY-WIDE SEWER SERVICE DISTRICT FUND FOR THE YEAR ENDED JUNE 30, 2005

			Actual Amount		iance Uith al Budget ositive egative)	
Resources (Inflows)	.				_	
Intergovernmental	\$	36,221	\$	99,574	\$	63,353
Use of Money and Property		-		10,146		10,146
Recovered Costs		*		318		318
Miscellaneous		73,817		_		(73,817)
Amounts Available for Appropriation	•	110,038		110,038		-
Charges to Appropriations (Outflows)						
Health and Welfare		110,038		4,500		105,538
Debt Service				105,538		(105,538)
Total Charges to Appropriations		110,038		110,038		-
Excess (Deficiency) of Resources Over		•				
Charges to Appropriations		-		-		-
Fund Balance at Beginning of Year		267,803		267,803		
Fund Balance at End of Year	\$	267,803	\$	267,803	\$	_

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE HAMILTON SEWER SERVICE DISTRICT FUND FOR THE YEAR ENDED JUNE 30, 2005

	l Budgeted		Actual Amount	Fina P	ance with al Budget ositive egative)
Resources (Inflows) General Property Taxes Transfers from Other Funds	\$ 120,000 88,000	\$	115,102 88,000	\$	(4,898)
Amounts Available for Appropriation	 208,000		203,102		(4,898)
Charges to Appropriations (Outflows) Community Development Total Charges to Appropriations	 208,000 208,000	*********	144,785 144,785		63,215 63,215
Excess (Deficiency) of Resources Over Charges to Appropriations Fund Balance at Beginning of Year	- 273,192		58,317 273,192		58,317 -
Fund Balance at Beginning of Year Fund Balance at End of Year	\$ 273,192	\$	331,509	\$	58,317

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE EMERGENCY 911 FEES FUND FOR THE YEAR ENDED JUNE 30, 2005

	Final Budgeted Amount			
Resources (Inflows) Other Local Taxes Intergovernmental Recovered Costs Transfers from Other Funds Amounts Available for Appropriation	\$ 6,210,094 223,904 62,571 6,496,569	\$ 7,243,107 264,940 250,638 62,571 7,821,256	\$ 1,033,013 41,036 250,638 	
Charges to Appropriations (Outflows) Public Safety Transfers to Other Funds Total Charges to Appropriations Excess (Deficiency) of Resources Over Charges to Appropriations Fund Balance at Beginning of Year Fund Balance at End of Year	8,831,002 1,300,000 10,131,002 (3,634,433) 4,732,187 \$ 1,097,754	5,892,781 1,525,753 7,418,534 402,722 4,732,187 \$ 5,134,909	2,938,221 (225,753) 2,712,468 4,037,155 \$ 4,037,155	

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE RENTAL ASSISTANCE PROGRAM FUND FOR THE YEAR ENDED JUNE 30, 2005

	Final Budgeted Amount	Final Budgeted Actual Amount Amount	
Resources (Inflows) Intergovernmental Recovered Costs Miscellaneous Amounts Available for Appropriation	\$ 7,782,890 329,100 13,026 8,125,016	384,413 13,676	\$ (327,029) 55,313 650 (271,066)
Charges to Appropriations (Outflows) Health and Welfare Total Charges to Appropriations Excess (Deficiency) of Resources Over Charges to Appropriations Fund Balance at Beginning of Year Fund Balance at End of Year	8,125,016 8,125,016		271,066 271,066 - - \$ -

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE REVENUE MAXIMINIZATION FUND FOR THE YEAR ENDED JUNE 30, 2005

	Final Budgete Amount	.	Actual Amount		Variance with Final Budget Positive (Negative)	
Resources (Inflows) Intergovernmental	\$ 1,222,829	\$	688,627	\$	(534,202)	
Transfers from Other Funds			17,312		17,312	
Amounts Available for Appropriation	1,222,829	<u> </u>	705,939		(516,890)	
Charges to Appropriations (Outflows)	00.00		23.547		45,147	
Public Safety	68,694				471,379	
Health and Welfare	1,119,513		648,134			
Transfers to Other Funds	34,622		34,258		364	
Total Charges to Appropriations	1,222,829	<u> </u>	705,939		516,890	
Excess (Deficiency) of Resources Over						
Charges to Appropriations	•	•	•		*	
Fund Balance at Beginning of Year		- 	-		*	
Fund Balance at End of Year	\$	<u> </u>	*		*	

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE STATE AND LOCAL EMERGENCY PREPAREDNESS FUND FOR THE YEAR ENDED JUNE 30, 2005

		al Budgeted Actual Amount Amount			Variance with Final Budget Positive (Negative)		
Resources (Inflows)		000.070	•	709 909	œ	(440,060)	
Intergovernmental	\$	820,372	\$	708,303	_\$	(112,069)	
Amounts Available for Appropriation		820,372		708,303		(112,069)	
Charges to Appropriations (Outflows)							
Public Safety		492,522		414,241		78,281	
Transfers to Other Funds		327,850		294,062		33,788	
Total Charges to Appropriations	***************************************	820,372		708,303		112,069	
Excess (Deficiency) of Resources Over							
Charges to Appropriations		-		-		-	
Fund Balance at Beginning of Year				M.		-	
Fund Balance at End of Year	\$		\$	*	\$	*	

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE PUBLIC FACILITIES FUND FOR THE YEAR ENDED JUNE 30, 2005

		al Budgeted Amount	 Actual Amount	Fi	riance with nal Budget Positive Negative)
Resources (Inflows)	_		4 007 507	•	(077 007)
Use of Money and Property	\$	2,015,474	\$ 1,037,537	\$	(977,937)
Gifts and Donations		18,519,718	 19,555,298		1,035,580
Amounts Available for Appropriation		20,535,192	 20,592,835		57,643
Charges to Appropriations (Outflows)					
Public Safety		-	660,510		(660,510)
Community Development		**	7,115,567		(7,115,567)
Education and Transfers to School Board		1,047,481	1,047,481		
Transfers to Other Funds		19,487,711	 17,785,543		1,702,168
Total Charges to Appropriations		20,535,192	 26,609,101		(6,073,909)
Excess (Deficiency) of Resources Over	-				
Charges to Appropriations		ж	(6,016,266)		(6,016,266)
Fund Balance at Beginning of Year		53,432,904	 53,432,904		
Fund Balance at End of Year	\$	53,432,904	\$ 47,416,638	\$	(6,016,266)

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE ANIMAL SHELTER FUND FOR THE YEAR ENDED JUNE 30, 2005

	Final Budgeted Actual Amount Amount			Variance with Final Budget Positive (Negative)		
Resources (Inflows)	•	7.000	œ	9.404	\$	1 104
Intergovernmental	\$	7,000	\$	8,194	Ф	1,194
Use of Money and Property		•		4,968		4,968
Gifts and Donations		***		22,732		22,732
Miscellaneous		7,000		-		(7,000)
Amounts Available for Appropriation		14,000	·····	35,894	-	21,894
Charges to Appropriations (Outflows)						/m
Public Safety		7,000		7,544		(544)
Transfers to Other Funds		7,000		7,000		_
Total Charges to Appropriations		14,000		14,544		(544)
Excess (Deficiency) of Resources Over Charges to Appropriations		•		21,350		21,350
Fund Balance at Beginning of Year		218,254		218,254		-
Fund Balance at End of Year	\$	218,254	\$	239,604	\$	21,350

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE HOUSING FUND FOR THE YEAR ENDED JUNE 30, 2005

	Final Budgeted Amount		Actual Amount		iance with al Budget Positive legative)
Resources (Inflows) Use of Money and Property Miscellaneous Transfers from Other Funds Amounts Available for Appropriation	\$ 1,000,000 1,000,000		15,138 100,687 1,000,000 1,115,825	\$	15,138 100,687 - 115,825
Charges to Appropriations (Outflows) Health and Welfare Transfers to Other Funds Total Charges to Appropriations			-		
Excess (Deficiency) of Resources Over Charges to Appropriations Fund Balance at Beginning of Year Fund Balance at End of Year	1,000,000 695,181 \$ 1,695,181	- Maria	1,115,825 695,181 1,811,006	\$	115,825 - 115,825

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE TRANSPORTATION DISTRICT FUND FOR THE YEAR ENDED JUNE 30, 2005

	Final Budgeted Actual Amount Amount			Variance with Final Budget Positive (Negative)		
Resources (Inflows)	_			5 405 045		700 000
Other Local Taxes	\$	4,752,687	\$	5,485,615	\$	732,928
Use of Money and Property				361,395	***************************************	361,395
Amounts Available for Appropriation		4,752,687		5,847,010	***************************************	1,094,323
Charges to Appropriations (Outflows)						
Community Development		2,798,189		1,898,282		899,907
Transfers to Other Funds		1,559,765		1,226,206		333,559
Total Charges to Appropriations		4,357,954		3,124,488		1,233,466
Excess (Deficiency) of Resources Over						
Charges to Appropriations		394,733		2,722,522		2,327,789
Fund Balance at Beginning of Year		10,591,144		10,591,144		-
Fund Balance at End of Year	\$	10,985,877	\$	13,313,666	\$	2,327,789

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE URAN HOLOCAUST FUND FOR THE YEAR ENDED JUNE 30, 2005

		I Budgeted Amount	Actual Amount		Variance with Final Budget Positive (Negative)	
Resources (Inflows)	•	400 470	\$	18,469	\$	(148,001)
Use of Money and Property	\$	166,470 880,000	Φ	10,409	Ψ	(880,000)
Gifts and Donations		<u> </u>		18,469		(1,028,001)
Amounts Available for Appropriation	***	1,046,470		10,409	-	(1,020,001)
Charges to Appropriations (Outflows)				470.045		075 554
Parks, Recreation and Culture	wat .	1,046,469		170,915		875,554
Total Charges to Appropriations	·····	1,046,469		170,915		875,554
Excess (Deficiency) of Resources Over				(4.52.446)		(152,447)
Charges to Appropriations		1		(152,446)		(152,441)
Fund Balance at Beginning of Year		724,190		724,190		
Fund Balance at End of Year	\$	724,191	\$	571,744	\$	(152,447)

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE HORTON PROGRAM FOR THE ARTS FUND FOR THE YEAR ENDED JUNE 30, 2005

				Variance with Final Budget Actual Positive mount (Negative)		
Resources (Inflows)						
Use of Money and Property	\$	152	\$	270	\$	118
Gifts and Donations		1,000		1,000		
Amounts Available for Appropriation	-	1,152		1,270	 	118
Charges to Appropriations (Outflows)						
Parks, Recreation and Culture		1,152				1,152
Total Charges to Appropriations	•	1,152		-		1,152
Excess (Deficiency) of Resources Over						
Charges to Appropriations		-		1,270		1,270
Fund Balance at Beginning of Year		11,753		11,753		•
Fund Balance at End of Year	\$	11,753	\$	13,023	\$	1,270

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE SYMINGTON FUND FOR THE YEAR ENDED JUNE 30, 2005

	Final Budgeted Amount			Actual Amount	Variance with Final Budget Positive (Negative)		
Resources (Inflows)							
Use of Money and Property	\$	602	\$	10,298	\$	9,696	
Gifts and Donations		2,505,479		2,505,480		1	
Amounts Available for Appropriation		2,506,081		2,515,778		9,697	
Charges to Appropriations (Outflows)							
Community Development				-			
Total Charges to Appropriations		2,506,082		-		2,506,082	
Excess (Deficiency) of Resources Over							
Charges to Appropriations		(1)		2,515,778		2,515,779	
Fund Balance at BGginning of Year		-		•		iw.	
Fund Balance at End of Year	\$	(1)	\$	2,515,778	\$	2,515,779	

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE CAPITAL PROJECTS FUND FOR THE YEAR ENDED JUNE 30, 2005

	Prior Years			Current Year		Total to Date		Project Authorization	
REVENUES					_			4 000 505	
Other Local Taxes	\$	1,002,535	\$	-	\$	1,002,535	\$	1,002,535	
Intergovernmental		7,358,076		1,005,997		8,364,073		18,779,959	
Permits and Licenses		30,005		6,905		36,910		32,780	
Charges for Services		919,230		44		919,274		919,230	
Use of Money and Property		3,763,721		73,543		3,837,264		4,870,020	
Gifts and Donations		255,000				255,000		255,000	
Miscellaneous		1,336,124		25,569		1,361,693		1,339,600	
Total Revenues		14,664,691		1,112,058		15,776,749		27,199,124	
EXPENDITURES									
Public Works		(5,055,484)		5,347,987		292,503		107,761,484	
Capital Outlay		136,834,384		42,099,568		178,933,952		233,071,382	
Total Expenditures		131,778,900		47,447,555		179,226,455		340,832,866	
Deficiency of Revenues Under Expenditures		(117,114,209)		(46,335,497)		(163,449,706)		(313,633,742)	
OTHER FINANCING SOURCES (USES)					***************************************				
Transfers In		157,434,975		65,975,686		223,410,661		304,789,908	
Transfers (Out)		(19,366,540)		(2,941,000)		(22,307,540)		(22,307,540)	
Lease/Purchase Financing		57,023,643		-		57,023,643		57,358,643	
Total Other Financing Sources (Uses)		195,092,078	WILLIAM TO THE TANK	63,034,686		258,126,764		339,841,011	
Net Change in Fund Balances	\$	77,977,869		16,699,189	\$	94,677,058	\$	26,207,269	
Fund Balance at Beginning of Year				77,977,869			-		
Fund Balance at End of Year			\$	94,677,058				•	

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE CAPITAL ASSET REPLACEMENT FUND FOR THE YEAR ENDED JUNE 30, 2005

		Prior Years	Current Year		Total toDate		Project Authorization	
REVENUES	-						_	
Other Local Taxes	\$	461,055	\$	204,015	\$	665,070	\$	631,726
Intergovernmental		-		19,370		19,370		421,925
Permits and Licenses		33,132		-		33,132		33,132
Charges for Services		6,114		60		6,174		4,630
Use of Money and Property		146,000		-		146,000		-
Recovered Costs		970,772		-		970,772		894,210
Gifts and Donations		15,000		-		15,000		15,000
Miscellaneous		274		-		274		-
Total Revenues		1,632,347	****	223,445		1,855,792		2,000,623
EXPENDITURES			~~					
Public Works		6,431,710		1,608,663		8,040,373		10,683,688
Capital Outlay		637,883		257,856		895,739		2,309,389
Total Expenditures		7,069,593		1,866,519		8,936,112		12,993,077
Deficiency of Revenues Under Expenditures	***************************************	(5,437,246)		(1,643,074)		(7,080,320)		(10,992,454)
OTHER FINANCING SOURCES (USES)		· · · · · · · · · · · · · · · · · · ·						
Transfers In		10,593,987		2,125,000		12,718,987		11,001,755
Total Other Financing Sources (Uses)	****	10,593,987		2,125,000		12,718,987		11,001,755
Net Change in Fund Balances	\$	5,156,741		481,926	\$	5,638,667	\$	9,301
Fund Balance at Beginning of Year				5,156,741				
Fund Balance at End of Year			\$	5,638,667				

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE DEBT SERVICE FUND FOR THE YEAR ENDED JUNE 30, 2005

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows) Use of Money and Property Transfers from Other Funds Issuance Premium Issuance of Bonds Amounts Available for Appropriation	\$ 1,100,000 63,306,538 - - - - - - - - -	\$ 2,217,147 63,306,538 13,951,569 346,975,000 426,450,254	\$ 1,117,147 13,951,569 346,975,000 362,043,716
Charges to Appropriations (Outflows) Nondepartmental: Debt Service Transfers to Other Funds Transfers to Component Units Payments to Refunded Bond Escrow Agent Total Charges to Appropriations Excess of Resources Over Charges to Appropriations Fund Balance at Beginning of Year Fund Balance at End of Year	90,595,673 90,595,673 (26,189,135) 40,253,142 \$ 14,064,007	82,585,391 22,546,031 168,268,969 158,085,000 431,485,391 (5,035,137) 40,253,142 \$ 35,218,005	8,010,282 (22,546,031) (168,268,969) (158,085,000) (340,889,718) 21,153,998

Proprietary Funds

Proprietary funds are used to account for operations that are financed in the manner similar to private business enterprises. The proprietary fund measurement focus is upon determination of net income, financial position and cash flows. Cash and temporary investments related to these proprietary funds are all highly liquid cash equivalents. The County's proprietary fund types consist of the Central Services Fund and the Self-insurance Fund. The operations of these funds are generally intended to be self-supporting.

<u>Central Services Fund</u> - This fund is used to account for the financing of goods or services provided among County departments on a cost reimbursement basis and includes such activities as central duplicating, telephone, mail, support, and fleet management services.

<u>Self Insurance Fund</u> - This fund is used to account for the accumulation of resources to pay for losses incurred by the partial or total retention of risk of loss arising out of the assumption of risk rather than transferring that risk to a third party through the purchase of insurance and includes such retention as health insurance, workers compensation insurance and automobile physical damage insurance.

COUNTY OF LOUDOUN, VIRGINIA COMBINING STATEMENT OF PROPRIETARY NET ASSETS AS OF JUNE 30, 2005

Central Service Funds Vehicle Self Vehicle Total Duplicating Telephone Mail Support Maintenance Replacement Insurance **ASSETS** Current Assets: \$ 31,636,523 682,752 \$ 28,300,360 748,359 25,929 \$ 1,764,886 Cash and Cash Equivalents \$ 114,237 2,034,131 2,034,131 Cash with Fiscal Agents 18,709 25,789 2,453 1,210 3,417 Receivables, Net 352 1,172 20 300 500 Advances to employees 377,930 33,090 344,840 Inventory of Supplies 5,000 9,962 304 Prepaid Items 4,658 59,039 352 2,110,936 683,056 30,358,200 34,085,507 756,934 **Total Current Assets** 116,990 Noncurrent Assets: Capital Assets: 11,111,631 11,846,422 387,691 347,100 Depreciable, Net 11,846,422 347,100 387,691 11,111,631 **Total Noncurrent Assets** \$ 59,039 \$ 352 \$ 2,498,627 \$ 11,794,687 \$ 30,358,200 \$ 45,931,929 \$ 1,104,034 \$ 116,990 **Total Assets** LIABILITIES Current Liabilities: 477,890 2,069,063 \$ 3,062,634 5,574 315,089 \$ Accounts Payable 69,851 125,167 5,764 5,764 Due to Other Funds 6,999,942 6,999,942 Claims Liabilities 45,518 1,636 23,807 20,075 Accrued Liabilities 335,164 477,890 9,070,641 10,113,858 35,145 125,167 **Total Current Liabilities** 69,851 Noncurrent Liabilities: 1,871,058 1,871,058 Claims Liabilities 1,871,058 1,871,058 Total Noncurrent Liabilities \$ 477,890 \$ 35,145 335,164 \$ 10,941,699 \$ 11,984,916 \$ 69,851 125,167 **Total Liabilities NET ASSETS** Net Assets, Invested in 387,691 \$ 11,111,631 \$ \$ 11,846,422 347,100 \$ \$ \$ Capital Assets 19,416,501 205,166 22,100,591 47,139 631,767 59,039 (34,793)1,775,772 Unrestricted (Deficit) \$ 33,947,013 2,163,463 \$ 11,316,797 \$ 19,416,501 59,039 \$ (34,793) 47,139 978,867 **Total Net Assets**

COUNTY OF LOUDOUN, VIRGINIA STATEMENT OF CHANGES IN PROPRIETARY NET ASSETS FOR THE YEAR ENDED JUNE 30, 2005

Central Service Funds Vehicle Vehicle Self Total Insurance **Duplicating** Telephone Mail Support Maintenance Replacement Operating Revenues: 3,316,470 \$ 17,748,395 \$ 24,052,310 917,580 \$ 454,602 \$ 766,862 \$ \$ 848,401 \$ Charges for services-Primary 49,534,618 58,494,131 8,959,513 Charges for services-Component 110,082 38,644 21.674 4.088 Use of property 45,676 67,283,013 82,656,523 8,963,601 3,316,470 887,045 963,256 454,602 788,536 **Total Operating Revenues** Operating Expenses: 47,477,745 47,477,745 Claims 685,655 2,370,015 17,353 3,073,023 Personnel services 11,169,783 13,615,509 876,966 44,348 12,720 91,248 Other services and charges 784,272 636,172 5,296,025 441,882 11,744 4,637,189 78,072 11,891 Materials and supplies 115,247 3,147,834 3,877,671 662,972 66,865 Depreciation 1,311,035 454.602 788,647 7,951,035 3,270,254 58,664,881 73,339,973 899,519 **Total Operating Expenses** (347,779) (111)1,012,566 46,216 8,618,132 9,316,550 (12,474)Operating Income (Loss) Non-Operating Revenues: 162,527 Gain on Sale of Capital Assets 111 (1,725)164,141 164,141 162,527 111 (1,725)**Total Non-Operating Revenue** Net Income (Loss) Before Operating 1,010,841 8,618,132 9,479,077 210,357 (12,474)(347,779)Transfers 1,050,000 2,865,792 1,802,829 12,963 Transfers In 1,802,829 1,050,000 2,865,792 12,963 1,010,841 2,013,186 9,668,132 12,344,869 (12,474)(334,816)Change in Net Assets 59,039 (34,793)1,152,622 9,303,611 9,748,369 21,602,144 Net Assets at Beginning of Year 59,613 1,313,683

59,039

\$

978,867

\$

47,139

Net Assets at End of Year

\$ (34,793)

\$ 2,163,463

\$ 11,316,797

\$ 19,416,501

\$ 33,947,013

COUNTY OF LOUDOUN, VIRGINIA COMBINING STATEMENT OF CASH FLOWS PROPRIETARY - INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2005

	Central Service Funds								
-					Vehicle	Vehicle	Self		
	Duplicating	Telephone	<u>Mail</u>	Support	<u>Maintenance</u>	Replacement	Insurance	Total	
Cash Flows from Operating Activities:						0 0 0 4 0 4 7 0	A07 000 000	000 700 000	
Receipts from Customers	\$ 886,183	\$ 969,797	\$ 454,602	\$ 788,536	\$ 8,962,527	\$ 3,316,470	\$67,329,923	\$82,708,038	
Payments to Suppliers for Goods and Services	(864,309)	(609,764)	(443,387)	(106,854)	(5,501,893)	(119,306)	(11,260,973)	(18,906,486)	
Claims Paid	-	-	-		-	-	(48,614,857)	(48,614,857)	
Payments to Employees	-			(681,793)	(2,384,775)		(15,717)	(3,082,285)	
Net Cash Provided by Operating Activities	21,874	360,033	11,215	(111)	1,075,859	3,197,164	7,438,376	12,104,410	
Cash Flows from Noncapital Financing									
Activities:									
Transfers In	_	12,963	_	-	-	1,802,829	1,050,000	2,865,792	
Net Cash Flows Used in Noncapital						~~···			
Financing Activities		12,963				1,802,829	1,050,000	2,865,792	
Cash Flows from Capital and Related Financing Activities:									
	_	(172,248)			(164,319)	(4,712,938)	_	(5,049,505)	
Additions to Capital Assets	_	(112,240)	_	111	(1-1,-1-)	218,480	_	218,591	
Proceeds from Sale of Capital Assets									
Net Cash Flows from Capital and	_	(172,248)	_	111	(164,319)	(4,494,458)		(4,830,914)	
Related Financing Activities		(172,240)			(104,010)	(1,70 1,1007			
Net Increase (Decrease) in Cash and Cash									
Equivalents	21,874	200,748	11,215	-	911,540	505,535	8,488,376	10,139,288	
Cash and Cash Equivalents (including those									
held with Fiscal Agents) at Beginning of Year	92,363	547,611	14,714		853,346	177,217	21,846,115	23,531,366	
Cash and Cash Equivalents (including those					4.4				
held with Fiscal Agents) at End of Year	\$ 114,237	\$ 748,359	\$ 25,929	\$	\$ 1,764,886	\$ 682,752	\$30,334,491	\$33,670,654	
Reconciliation of Operating (Loss) to Net Cash	Provided by O	perating Activi	ities:						
		\$ (347,779)	\$ -	\$ (111)	\$ 1,012,566	\$ 46,216	\$ 8,618,132	\$ 9,316,550	
Operating (Loss)	\$ (12,474)	\$ (341,119)		4 (111)	\$ 1,012,000	Ψ 43,210	Ψ ω,ω εω, εωπ	<u> </u>	
Adjustment Not Affecting Cash:									
Depreciation	-	662,972	-	-	66,865	3,147,834	-	3,877,671	
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:									
Receivable. Net	(862)	6,541	-	<u>.</u>	(1,074)	-	46,910	51,515	
Inventory of Supplies	(-)		11,215	=	(27,189)	_		(15,974)	
Prepaid Items		(4,658)	-	-	520	(304)	(5,000)	(9,442)	
Accounts Payable	35,210	42,957	-	2,478	38,931	298,574	(86,190)	331,960	
Due to Other Funds	,		-	(6,340)	•	_	-	(6,340)	
Accrued Liabilities	_	_	_	3,862	(14,760)	-	1,636	(9,262)	
Claims Liabilities	-	-	-	-	<u>.</u>	-	(1,137,112)	(1,137,112)	
Total Adjustments	34,348	707,812	11,215	-	63,293	3,446,104	(1,179,756)	3,083,016	
Net Cash Provided by Operating Activities	\$ 21,874	\$ 360,033	\$ 11,215	\$ (111)	\$ 1,075,859	\$ 3,492,320	\$ 7,438,376	\$12,399,566	
						Million Co. Co.			

Fiduciary Funds

Trust and Agency Funds are used to account for the assets received and disbursed by the County government acting in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Private Purpose Trust Funds

Senior Center Trust Fund - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the senior center.

War Memorial Trust Fund - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the maintenance and improvement of the Vietnam Memorial.

Agency Funds

Special Welfare Trust Fund - This fund is used to account for monies provided through the State and from private donors for regular assistance payments to recipients in the Aid to Dependent Children Program.

<u>Performance Bond Fund</u> - This fund is used to account for monies received from and returned to individuals and businesses who are required to have a performance bond for development. The County acts as an agent to hold the monies until performance is rendered.

Employee Benefits Distribution Fund - This fund is used to account for employee withholdings, employer contributions, and payments made for employee benefits.

Adult Detention Center (ADC) Inmate Trust Fund - This fund is used to account for monies held by inmates of the County's ADC at the time of incarceration.

COUNTY OF LOUDOUN, VIRGINIA COMBINING STATEMENT OF PRIVATE PURPOSE TRUST NET ASSETS AS OF JUNE 30, 2005

		enior enter	Me	War emorial	Total		
ASSETS	~	***	œ.	7.044	e	8,381	
Cash and Cash Equivalents	\$	470		7,911	. 9	8,381	
Total Assets		470	<u> </u>	7,911	4	0,501	
LIABILITIES	_		_		•		
Accounts Payable	\$	-	\$		*	*	
Total Liabilities	\$	*	_\$		\$	-	
NET ASSETS							
Held in Trust for Private Purposes	\$	470	\$	7,911	\$	8,381	

COUNTY OF LOUDOUN, VIRGINIA STATEMENT OF CHANGES IN PRIVATE PURPOSE TRUST NET ASSETS FOR THE YEAR ENDED JUNE 30, 2005

		Senior Center		Var norial	Total		
ADDITIONS							
Contributions:							
Gifts and Donations	\$	-	\$		\$		
Total Contributions		-		-			
Investment Earnings:	***************************************						
Interest		_		166		166	
Total Investment Earnings		-		166		166	
Total Additions		_		166		166	
DEDUCTIONS							
Benefits		-		-		•	
Total Deductions		-		-		*	
Change in Net Assets		-		166		166	
Net Assets at Beginning of Year		470		7,745		8,215	
Net Assets at End of Year	\$ \$	470	\$	7,911	\$	8,381	

COUNTY OF LOUDOUN, VIRGINIA COMBINING BALANCE SHEET - AGENCY FUND AS OF JUNE 30, 2005

	Special Velfare	P	erformance Bonds	•	loyee Benefits Distribution	 ADC Inmate	***********	Total
ASSETS Cash and Cash Equivalents	\$ 31,799	.\$	10,009,387	\$	10.917.789	\$ 201,937	\$	21,160,912
Total Assets	\$ 31,799	\$	10,009,387	\$	10,917,789	\$ 201,937	\$	21,160,912
LIABILITIES								
Accounts Payable	\$ -	\$	83,712	\$	10,917,789	\$ 	\$	11,001,501
Funds Held in Trust for Others	31,799		9,925,675		-	201,937		10,159,411
Total Liabilities	\$ 31,799	\$	10,009,387	\$	10,917,789	\$ 201,937	\$	21,160,912

COUNTY OF LOUDOUN, VIRGINIA COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS FOR THE YEAR ENDED JUNE 30, 2005

	Balance July 1, 2004	Additions	Deductions	Balance June 30, 2005
Special Welfare Fund Assets:				
Cash and Cash Equivalents Total Assets	\$ 36,845 \$ 36,845		\$ 117,029 \$ 117,029	\$ 31,799 \$ 31,799
Liabilities: Funds Held in Trust for Others Total Liabilities	36,845 \$ 36,845		227,911 \$ 227,911	31,799 \$ 31,799
Performance Bond Fund Assets: Cash and Cash Equivalents Total Assets	\$ 7,733,739 \$ 7,733,739	\$ 3,839,364 \$ 3,839,364	\$ 1,563,716 \$ 1,563,716	\$ 10,009,387 \$ 10,009,387
Liabilities: Accounts Payable Funds Held in Trust for Others Total Liabilities	\$ - 7,733,739 \$ 7,733,739	\$ 1,474,069 1,796,349 \$ 3,270,418	\$ 1,557,781 3,988,285 \$ 5,546,066	\$ 83,712 9,925,675 \$ 10,009,387
Employee Benefits Distribution Fund Assets: Cash and Cash Equivalents Total Assets Liabilities: Accounts Payable Total Liabilities	\$ 8,037,360 \$ 8,037,360 \$ 8,037,360 \$ 8,037,360	\$ 199,797,669 \$ 199,797,669 \$ 212,239,615 \$ 212,239,615	\$ 196,917,240 \$ 196,917,240 \$ 215,120,044 \$ 215,120,044	\$ 10,917,789 \$ 10,917,789 \$ 10,917,789 \$ 10,917,789
Adult Detention Center (ADC) Inmate Fund Assets: Cash and Cash Equivalents Total Assets Liabilities: Funds Held in Trust for Others Total Liabilities	\$ 136,824 \$ 136,824 \$ 136,824 \$ 136,824	\$ 1,053,529 \$ 1,053,529 \$ 988,416 \$ 988,416	\$ 988,416 \$ 988,416 \$ 1,053,529 \$ 1,053,529	\$ 201,937 \$ 201,937 \$ 201,937 \$ 201,937
Totals - All Agency Funds Assets: Cash and Cash Equivalents Total Assets Liabilities: Accounts Payable Funds Held in Trust for Others Total Liabilities	\$ 15,944,768 \$ 15,944,768 \$ 8,037,360 7,907,408 \$ 15,944,768	\$ 204,802,545 \$ 204,802,545 \$ 213,713,684 3,017,722 \$ 216,731,406	\$ 199,586,401 \$ 199,586,401 \$ 216,677,825 5,269,725 \$ 221,947,550	\$ 21,160,912 \$ 21,160,912 \$ 11,001,501 10,159,411 \$ 21,160,912



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Component Unit - School Board Funds

Operating Fund - This fund is used to account for the general operations of the County's school system. Financing is provided primarily by transfers from the primary government and State and Federal grants to be used for education purposes only.

<u>Capital Projects Fund</u> - This fund is used to account for the purchase and/or construction of major capital facilities, including buildings, land, major equipment and other long-lived improvements for the school system. Financing is provided primarily by bond issues, State and Federal grants, and transfers from the primary government.

<u>Capital Asset Replacement Fund</u> - This fund is used to account for the repair and/or replacement of major capital facilities, including buildings, major equipment, and other long-lived improvements for the school system. Financing is provided primarily by transfers from the primary government.

<u>Debt Service Fund</u> - This fund is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs of the school system. Financing is provided primarily by transfers from the primary government.

COUNTY OF LOUDOUN, VIRGINIA BALANCE SHEET COMPONENT UNIT - SCHOOL BOARD JUNE 30, 2005

	Operating	Capital Projects	Capital Asset Replacement	Debt Service	Total School Board
ASSETS					
Cash and Cash Equivalents	\$ 58,980,812	\$ 40,715,761	\$ 6,250,252	\$ 1,865,099	\$ 107,811,924
Cash and Investments with Fiscal Agents	305,620	84,730,893	*	-	85,036,513
Receivables, Net:					
Accounts	198,228	155,274	*	-	353,502
Dues from Other Governments	8,172,508	-	•	-	8,172,508
Inventory of Supplies	422,682	-	*	-	422,682
Prepaid Items	363,539		*		363,539
Total Assets	\$ 68,443,389	\$ 125,601,928	\$ 6,250,252	\$ 1,865,099	\$ 202,160,668
LIABILITIES AND FUND BALANCES Liabilities:					
Accounts Payable	\$ 7,780,847	\$ 20,300,528	\$ 511,448	\$ 265	\$ 28,593,088
Accrued Liabilities	29,690,362	8,743	*	-	29,699,105
Deferred Revenue	1,301,656	-	W	-	1,301,656
Other Liabilities	11,267	-	*	-	11,267
Total Liabilities	38,784,132	20,309,271	511,448	265	59,605,116
Fund Balances:	···········			*******	
Reserved for:		•			
Prepaid Items	363,539	*	_	*	363,539
Encumbrances	13,662,519	45,880,680	1,084,595	-	60,627,794
Unreserved, reported in:					
Operating:					
Designated for Fiscal Cash Liquidity	12,098,830	-	*	-	12,098,830
Designated for Cafeterial Sales	-	-		-	-
Undesignated	3,534,369	-	•	-	3,534,369
Capital Projects Funds:					
Undesignated	-	59,411,977	_	#	59,411,977
Capital Assets Funds:					
Undesignated	-	*	4,654,209	-	4,654,209
Debt Service Fund:					
Designated for Future Debt Service	_	-	**	1,864,834	1,864,834
Total Fund Balances	29,659,257	105,292,657	5,738,804	1,864,834	142,555,552
Total Liabilities and Fund Balances	\$ 68,443,389	\$ 125,601,928	\$ 6,250,252	\$ 1,865,099	\$ 202,160,668

COUNTY OF LOUDOUN, VIRGINIA COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES COMPONENT UNIT - SCHOOL BOARD FOR THE YEAR ENDED JUNE 30, 2005

					Total
		Capital	Capital Asset	Debt	School
	Operating	Projects	Replacement	Service	Board
REVENUES					
Intergovernmental	\$ 108,628,662	\$ -	\$ -	\$ -	\$ 108,628,662
Charges for Services	10,273,952	-	-	-	10,273,952
Use of Money and Property	863,680	758	-	-	864,438
Recovered Costs	437,763	*	-	-	437,763
Gifts and Donations	521,851	*	-	-	521,851
Miscellaneous	168,297	-	-	•	168,297
Payments from Primary Government	351,902,707	179,716,450	3,718,000	5,600,000	540,937,157
Total Revenues	472,796,912	179,717,208	3,718,000	5,600,000	661,832,120
EXPENDITURES					
Current Operating:					
Education	471,644,364	115,158,728	2,880,242		589,683,334
Payments to Primary Government	335,120	-	-	-	335,120
Capital Outlay	-	-	93,191	-	93,191
Debt service:					
Principal Payments	-	-	-	5,302,721	5,302,721
Interest and Service Charges				405,880	405,880
Total Expenditures	471,979,484	115,158,728	2,973,433	5,708,601	595,820,246
Excess (Deficiency) of Revenues Over					
(Under) Expenditures	817,428	64,558,480	744,567	(108,601)	66,011,874
OTHER FINANCING SOURCES (USES)					
Lease/Purchase Financing	5,400,000	-	-	*	5,400,000
Sales of Capital Assets	92,500	-	_		92,500
Total Other Financing Sources (Uses)	5,492,500				5,492,500
Net Change in Fund Balances	6,309,928	64,558,480	744,567	(108,601)	71,504,374
Fund Balances at Beginning of Year	23,349,329	40,734,177	4,994,237	1,973,435	71,051,178
Fund Balances at End of Year	\$ 29,659,257	\$ 105,292,657	\$ 5,738,804	\$ 1,864,834	\$ 142,555,552

COUNTY OF LOUDOUN, VIRGINIA COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS COMPONENT UNIT - SCHOOL BOARD FOR THE YEAR ENDED JUNE 30, 2005

		Balance ıly 1, 2004	Additions		D	eductions	Balance _ June 30, 2005	
School Activity Fund Assets: Cash and Temporary Investments Total Assets	\$ \$	3,209,770 3,209,770	\$	8,584,635 8,584,635	\$ \$	8,357,033 8,357,033	\$ \$	3,437,372 3,437,372
Liabilities: Collections Held in Trust Total Liabilities	<u>\$</u>	3,209,770 3,209,770	\$	8,584,635 8,584,635	<u>\$</u> \$	8,357,033 8,357,033	\$	3,437,372 3,437,372

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE COMPONENT UNIT - SCHOOL BOARD SCHOOL OPERATING FOR THE YEAR ENDED JUNE 30, 2005

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Intergovernmental	\$ 107,287,163	\$ 108,628,662	\$ 1,341,499
Charges for Services	14,128,382	10,273,952	(3,854,430)
Use of Money and Property	501,456	863,680	362,224
Recovered Costs	418,732	437,763	19,031
Miscellaneous	603,970	690,148	86,178
Sales of Capital Assets	-	92,500	92,500
Payment from Primary Government	351,902,707	351,902,707	-
Lease/Purchase Financing	5,400,000	5,400,000	-
Amounts Available for Appropriation	480,242,410	478,289,412	(1,952,998)
Charges to Appropriations (Outflows)			
Education	489,008,423	471,644,364	17,364,059
Payment to Primary Government	*	335,120	(335,120)
Total Charges to Appropriations	489,008,423	471,979,484	17,028,939
Excess (Deficiency) of Resources Over		******	
Charges to Appropriations	(8,766,013)	6,309,928	15,075,941
Fund Balance at Beginning of Year	23,349,329	23,349,329	
Fund Balance at End of Year	\$ 14,583,316	\$ 29,659,257	\$ 15,075,941

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE COMPONENT UNIT - SCHOOL BOARD SCHOOL CAPITAL PROJECTS FUND FOR THE YEAR ENDED JUNE 30, 2005

		rior ears		ırrent 'ear		Total to Date		Project thorization
REVENUES					•	E 44 000	æ	E 44 000
Intergovernmental	\$	541,206	\$	-	\$	541,206	\$	541,206
Charges for Services		80		-		80		w
Use of Money and Property		2,411		758		3,169		
Recovered Costs	;	3,443,702		-		3,443,702		3,403,590
Miscellaneous	•	1,443,293		-		1,443,293		1,617,900
Total Revenues		5,430,692		758		5,431,450		5,562,696
EXPENDITURES			**					
Education	(112	2,442,643)	11	5,158,728		2,716,085		~
Capital Outlay	789	068,789		-		789,068,789	1,	016,091,437
Total Expenditures	676	6,626,146	11	5,158,728		791,784,874	1,	016,091,437
Excess (Deficiency) of Revenues Over								
(Under) Expenditures	(671	,195,454)	(11	5,157,970)		(786,353,424)	(1,	010,528,741)
OTHER FINANCING SOURCES (USES)								
Transfers In		932,370		-		932,370		932,370
Transfers (Out)	(24	1,596,500)		-		(24,596,500)		(11,133,179)
Payment from Primary Government	735	5,593,761	17	9,716,450		915,310,211	1,	020,481,849
Total Other Financing Sources (Uses)	71	,929,631	17	9,716,450		891,646,081	1,	010,281,040
Net Change in Fund Balances	\$ 40),734,177	6	4,558,480	\$	105,292,657	\$	(247,701)
Fund Balance at Beginning of Year			4	0,734,177				
Fund Balance at End of Year			\$ 10	5,292,657				

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE COMPONENT UNIT - SCHOOL BOARD SCHOOL CAPITAL ASSET REPLACEMENT FUND FOR THE YEAR ENDED JUNE 30, 2005

	Prior Years	Current Year	Total to Date	Project Authorization
REVENUES Use of Money and Property Recovered Costs	\$ 412,000 15,342	\$ -	\$ 412,000 15,342 427,342	\$ 412,000 11,606 423,606
Total Revenues EXPENDITURES Education	427,342 36,717,605	2,880,242	39,597,847	45,426,106
Capital Outlay Total Expenditures	36,717,605	93,191 2,973,433	93,191 39,691,038	45,426,106
Excess (Deficiency) of Revenues Over (Under) Expenditures OTHER FINANCING SOURCES (USES)	(36,290,263)	(2,973,433)	(39,263,696)	(45,002,500)
Transfers In Payment from Primary Government Total Other Financing Sources (Uses)	90,000 41,194,500 41,284,500	3,718,000	90,000 44,912,500 45,002,500	45,002,500 45,002,500
Net Change in Fund Balances Fund Balance at Beginning of Year Fund Balance at End of Year	\$ 4,994,237	744,567 4,994,237 \$ 5,738,804	\$ 5,738,804	\$.

COUNTY OF LOUDOUN, VIRGINIA BUDGETARY COMPARISON SCHEDULE COMPONENT UNIT - SCHOOL BOARD SCHOOL DEBT SERVICE FUND FOR THE YEAR ENDED JUNE 30, 2005

		al Budgeted Amount		Actual Amount	Fina Po	ince with I Budget ositive egative)
Resources (Inflows)		E 000 000	æ	5,600,000	\$	
Payment from Primary Government	<u> </u>	5,600,000	\$		<u> </u>	
Amounts Available for Appropriation		5,600,000		5,600,000		-
Charges to Appropriations (Outflows)						
Nondepartmental:						
Debt Service		5,710,865		5,708,601		2,264
Total Charges to Appropriations		5,710,865		5,708,601		2,264
Excess (Deficiency) of Resources Over						
Charges to Appropriations		(110,865)		(108,601)		2,264
Fund Balance at Beginning of Year		1,973,435		1,973,435		-
Fund Balance at End of Year	\$	1,862,570	\$	1,864,834	\$	2,264

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as land, buildings, road registered vehicles, and equipment with an initial individual cost of more than \$2,500 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical costs or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant and equipment is depreciated using the straight-line method over the estimated useful lives.

COUNTY OF LOUDOUN, VIRGINIA SCHEDULE OF CAPITAL ASSETS BY SOURCES AT JUNE 30, 2005

CAPITAL ASSETS		
Land	\$	76,927,017
Buildings		97,929,339
Improvements Other Than Buildings		12,049,001
Equipment		91,726,061
Infrastructure		522,481
Construction in Progress		61,634,727
Total Current Assets		340,788,626
Less Accumulated Depreciation		(79,080,841)
Net Capital Assets	\$	261,707,785
INVESTMENTS IN CAPITAL ASSETS		200 000 000
General Fund	\$	202,899,002
Special Revenue Fund		22,343,776
Capital Projects Fund	•	60,022,887
Donations		26,086,917
Internal Service Fund		29,436,044
Total Investments in Capital Assets		340,788,626
Less Accumulated Depreciation	·	(79,080,841)
Net Capital Assets		261,707,785

COUNTY OF LOUDOUN, VIRGINIA SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY AS OF JUNE 30, 2005

			Inprovements other than	Machinery and		
Function and Program	<u>Land</u>	Buildings	Buildings	Equipment	Infrastructure	Total
General Government Administration:			•	¢ 5.750	\$ -	\$ 14.862.863
Legislative	\$ 13,810,189	\$ 1,046,922	\$ -	\$ 5,752	\$ -	87,398,991
General and Financial Administration	4,741,373	34,187,539	-	48,470,079 391,620	•	391,620
Elections Administration		25 224 464		48.867.451		102,653,474
Total General Government	18,551,562	35,234,461		40,007,401	***************************************	102,300,777
Judicial Administration:						
Courts	398,112	1,062,951	*	1,767,952	*	3,229,015
Sheriff	-	-	*	14,553	*	14,553
Commonwealth's Attorney	-			28,891		28,891
Total judicial Administration	398,112	1,062,951	*	1,811,396		3,272,459
multip option						
Public Safety: Law Enforcement and Traffic Control	15,639	5,841		9,363,149	*	9,384,629
Fire and Rescue Services	42,459	4,922,991	**	10,808,062		15,773,512
Corrections and Detention	264,996	5,076,678	5,675	359,692		5,707,041
Inspections	-	-	•	36,959	*	36,959
Other Protection	17,637	1,784,607	-	62,996	-	1,865,240
Total Public Safety	340,731	11,790,117	5,675	20,630,858		32,767,381
101111 20110 1111-1						
Public Works:			40.470	44 700 OEE		29,591,324
Sanitation and Waste Removal	16,658,471	1,131,728	12,170	11,788,955 350,110	-	9,447,738
Maintenance of General Building and Ground	7,009,423	2,088,205	12,170	12,139,065		39,039,062
Total public Works	23,667,894	3,219,933	12,170	12,109,003		33,033,002
Health and Welfare:						
Health	-	-	-	127,884	-	127,884
Mental Health and Mental Retardation	801,887	3,309,343	26,788	212,512	-	4,350,530
Welfare and Social Services	2,647,343	13,722,726		1,056,335		17,426,404
Total Health and Welfare	3,449,230	17,032,069	26,788	1,396,731		21,904,818
Darka Dagraption and Cultura:						
Parks, Recreation and Culture: Parks and Recreation	15,492,574	7,637,390	12,004,368	2,525,312	•	37,659,644
Library	4,123,234	20,725,782		2,836,558		27,685,574
Total Parks, Recreation and Culture	19,615,808	28,363,172	12,004,368	5,361,870	**	65,345,218
Community Development:						
Planning, Community Development and	40.000.000	4 226 626		1,485,416	522,481	14,138,213
Economic Development	10,903,680	1,226,636	-	27,753	, , , , , , , , , , , , , , , , , , ,	27,753
Environmental Management	~	-	_	5,521	_	5,521
Cooperative Extension Program	10,903,680	1,226,636		1,518,690	522,481	14,171,487
Total Community Development	10,303,800	1,220,000				
Miscellaneous:						
Miscellaneous					-	-
Total Miscellaneous	-					
marka sa	76,927,017	97,929,339	12,049,001	91,726,061	522,481	279,153,899
Total Capital Assets Allocation to Functions	10,521,011	(23,160,675)	(7,397,238)	(48,510,114)	(12,814)	(79,080,841)
Less Accumulated Depreciation	\$ 76,927,017	\$ 74,768,664	\$ 4,651,763	\$ 43,215,947	\$ 509,667	200,073,058
Total -	Ψ 10,021,011	Ψ / - ,100,00 -	7 7,-23,132			61,634,727
Contruction in Progress						\$ 261,707,785
Total Capital Assets						

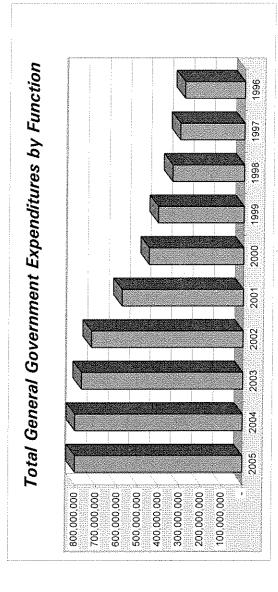
COUNTY OF LOUDOUN, VIRGINIA SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY YEAR ENDED JUNE 30, 2005

Function and Program	Fixed Assets July 1, 2004	Additions	Deductions	Transfers In / (Out)	Fixed Assets June 30, 2005
General Government Administration:	\$ 1,349,613	\$ 13,513,250	\$ -	\$ -	\$ 14,862,863
Legislative	78,712,463	6.448.363	1,695,540	3,933,705	87,398,991
General and Financial Administration	76,712,463 381,409	10,211	1,000,040	-	391,620
Elections Administration Total General Government	80,443,485	19,971,824	1,695,540	3,933,705	102,653,474
Judicial Administration:					
Courts	3,279,910	66,992	117,887	-	3,229,015
Sheriff	14,553	-	•	-	14,553
Commonwealth's Attorney	28,891	<u> </u>		-	28,891
Total judicial Administration	3,323,354	66,992	117,887	-	3,272,459
Public Safety:					
Law Enforcement and Traffic Control	8,753,713	630,916	-	•	9,384,629
Fire and Rescue Services	14,623,899	1,211,634	62,021		15,773,512
Corrections and Detention	5,692,603	27,200	17,440	4,678	5,707,041
Inspections	91,085	*	54,126	•	36,959
Other Protection	1,855,440	9,800			1,865,240
Total Public Safety	31,016,740	1,879,550	133,587	4,678	32,767,381
Public Works:		- 45 555	775.000	0.4.700	20 504 004
Sanitation and Waste Removal	29,370,276	942,200	755,888	34,736	29,591,324
Maintenance of General Building and Ground	2,091,417	148,467	5,271	7,213,125	9,447,738
Total public Works	31,461,693	1,090,667	761,159	7,247,861	39,039,062
Health and Welfare:					
Health	121,262	6,622	-		127,884
Mental Health and Mental Retardation	3,323,801	961,227	-	65,502	4,350,530
Welfare and Social Services	17,298,131	62,890	4,320	69,703	17,426,404
Total Health and Welfare	20,743,194	1,030,739	4,320	135,205	21,904,818
Parks, Recreation and Culture:				. 700 000	07.050.074
Parks and Recreation	32,617,204	2,498,377	238,836	2,782,899	37,659,644
Library	26,891,937	91,969	7,325	708,993	27,685,574
Total Parks, Recreation and Culture	59,509,141	2,590,346	246,161	3,491,892	65,345,218
Community Development:					
Planning, Community Development and	40.000.000	4 404 004	E 202	(0.0EE)	14,138,213
Economic Development	12,668,096	1,484,334	5,362	(8,855)	
Environmental Management	51,785	1,393	25,425	-	27,753 5,521
Cooperative Extension Program	3,021 12,722,902	2,500 1,488,227	30,787	(8,855)	14,171,487
Total Community Development	12,722,902	1,400,221	30,767	(8,000)	14,77,407
Miscellaneous:	0.950.149			(9,860,148)	_
Miscellaneous	9,860,148 9,860,148			(9,860,148)	*
Total Miscellaneous	3,000,140		<u>*</u>	(3,000,140)	-
Total Capital Assets Allocation to Function	249,080,657	28,118,345	2,989,441	4,944,338	279,153,899
Contruction in Progress	42,989,062	23,520,300	_	(4,874,635)	61,634,727
Total	292,069,719	51,638,645	2,989,441	69,703	340,788,626
Less Accumulated Depreciation	(68,359,518)	(13,376,819)	(2,710,199)	(54,703)	(79,080,841)
Net Capital Assets	\$ 223,710,201	\$ 38,261,826	\$ 279,242	\$ 15,000	\$ 261,707,785

STATISTICAL	SECTION	
		,

COUNTY OF LOUDOUN, VIRGINIA GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1) (2) LAST TEN FISCAL YEARS

	1997 1996	3,366 \$ 18,720,364 \$ 15,615,157	3,466,192	25,377,526 2	8,524,395	24,219,079	141,585,782	10,038,901	7,369,562	44,491,651	20.670.636		7,266 \$304,464,088 \$283,887,675
	1998	4 \$ 19,013,366		2	6 6,198,388	0 26,219,142	•••	6 12,339,831	1 8,907,896	4		-	\$340,007,266
	1999	\$ 20,744,764	4,341,648	29,871,952	7,819,186	27,666,110	186,532,501	14,195,196	10,355,101	78,322,033	27,203,200		\$407,051,691
	2000	\$ 24,241,248	4,438,785	36,279,690	9,378,437	31,847,435	212,459,950	16,340,004	10,913,550	69,886,618	33,400,618		\$449,186,335
	2001	\$ 27,648,372	5,288,117	45,425,236	12,221,838	38,725,515	254,219,073	21,126,419	15,405,328	117,596,093	41,876,234		\$579,532,225
(3)	2002	\$ 31,881,582	6,697,319	61,004,791	24,445,546	52,396,932	309,731,574	26,069,011	21,363,427	136,205,066	53,843,624		\$723,638,872
(3)	2003	\$ 32,856,620	8,171,298	66,817,301	20,969,188	56,079,807	360,990,925	26,688,466	25,429,706	101,618,908	70,098,358		\$769,720,577
(3)	2004	\$ 33,755,811	7,604,019	75,567,045	24,149,345	58,681,744	409,468,157	30,201,892	30,721,569	142,202,358	78,417,995		\$890,769,935
(3)	2005	\$ 34,145,164	8,160,069	85,287,888	29,386,044	63,261,699	585,836,938	31,873,493	31,157,614	42,450,615	88,399,530		\$999,959,054
	FUNCTION	General government administration	Judiciał administration	Public safety	Public works	Health and welfare	Education	Parks, recreation and culture	Community development	Capital Projects	Debt service		Total Expenditures

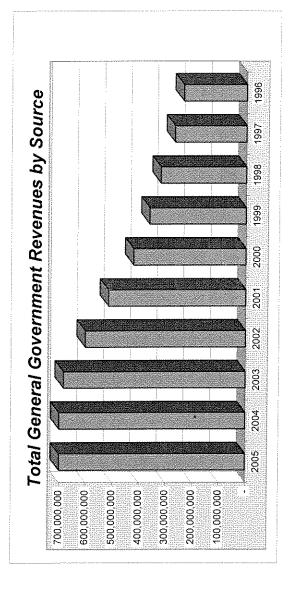


includes Governmental Funds only. (3) (3)

Includes Primary Government and Component Unit. Expenditures include amounts related to reclassification of Fiduciary funds to Special Revenue funds in accordance with GASB Statement No. 34.

COUNTY OF LOUDOUN, VIRGINIA
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1) (2)
LAST TEN FISCAL YEARS

1996	\$140,209,501	26,132,406	6,069,271	45,007,518	7,568,668	706.344	5.142.082	644.953	2,320,869	1,150	\$233,802,762
1997	\$154,920,526	29,938,269	6,804,965	56,588,740	7,452,331	772.352	4.446.572	1,048,856	4,464,698	8,400	\$266,445,709
1998	\$190,488,626	34,831,429	8,840,742	63,226,514	9,331,527	1,261,250	5,629,516	740,460	4,923,613	30,175	\$319,303,852
1999	\$199,283,712	41,337,376	12,387,701	83,552,768	10,905,627	1,420,120	6,250,109	507,819	5,295,772	76,100	\$361,017,104
. 2000	\$219,302,974	51,632,959	13,408,218	108,685,362	12,266,366	1,474,405	8,765,797	363,468	5,156,306	20,220	\$421,076,075
2001	\$261,016,542	64,359,557	14,519,685	137,535,530	15,037,511	1,546,259	12,360,365	1,773,845	6,760,979	387,289	\$515,297,562
(3)	\$317,003,631	68,090,506	11,701,399	157,438,837	18,174,110	1,387,677	9,036,546	10,160,749	8,870,604		\$601,864,059
(3)	\$369,053,929	78,403,999	17,046,703	171,643,630	21,341,901	1,439,119	5,025,276	12,822,416	6,560,811	-	\$683,337,784
(3)	\$433,739,683	92,157,113	17,779,983	196,326,458	26,257,141	1,688,132	4,294,595	13,503,744	6,505,965	Total Walland Walland	\$792,252,814
(3)	\$499,491,115	110,278,552	23,102,301	207,390,390	29,875,584	2,023,360	9,669,832	23,932,359	6,675,033		\$912,438,526
SOURCE	General property taxes	Other local taxes	Permits and licenses	Intergovernmental	Charges for services	Fines and forfeitures	Use of money and property	Miscellaneous	Recovered costs	Non-revenue receipts	



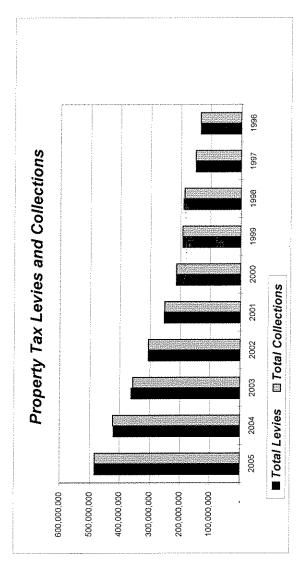
Includes Governmental Funds only. 3 5 3

Includes Primary Government and Component Unit.

Revenues include amounts realted to reclassification of Fiduciary funds to Special Revenue funds in accordance with GASB Statement No. 34,

COUNTY OF LOUDOUN, VIRGINIA PROPERTY TAX LEVIES AND COLLECTIONS (1) (2) LAST TEN FISCAL YEARS

	2005	2004	2003	2002	2001	2000	1999	(5) 1 998	1997	1996
Total tax levy (3)	\$484,270,772	\$420,712,030	\$361,966,896	\$305,979,201	\$253,494,862	\$213,776,378	\$192,945,367	\$190,134,622	\$150,087,601	\$133,841,243
Current tax collections (3)	\$471,033,962	\$407,623,495	\$346,400,224	\$296,144,023	\$244,158,657	\$209,359,885	\$186,353,341	\$183,655,551	\$146,533,024	\$130,671,688
Percent of levy collected	97.27%	96.89%	95.70%	%67.96	96.32%	97.93%	96.58%	96.59%	97.63%	97.63%
Delinquent tax collections	\$ 13,076,155	\$ 15,812,964	\$ 10,507,767	\$ 9,902,704	\$ 8,106,506	\$ 4,513,454	\$ 6,789,482	\$ 3,291,722	\$ 3,863,631	\$ 4,346,380
Total tax collections (4)	\$484,110,117	\$423,436,459	\$356,907,991	\$306,046,727	\$252,265,163	\$213,873,339	\$193,142,823	\$186,947,273	\$150,396,655	\$135,018,068
Percent of total tax collected to taxy levy	%26.66	100.65%	98.60%	100.02%	99.51%	100.05%	100.10%	98.32%	100.21%	100.88%



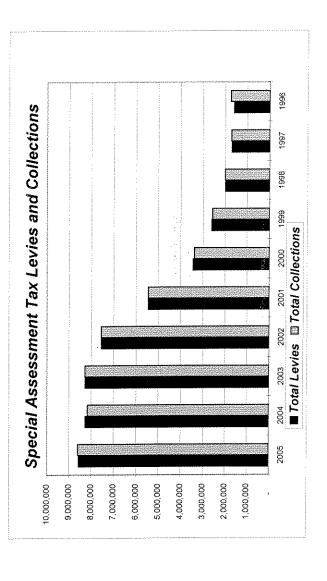
Department of Management and Financial Services, Loudoun County. General Fund.

Exclusive of penalties and interest.

Tax collections include payments received from the Commonwealth of Virginia under its personal property tax-relief program. Tax levy includes \$ 20,983,233 for first half of 1998 personal property tax. E 0 0 E 0

COUNTY OF LOUDOUN, VIRGINIA SPECIAL ASSESSMENT PROPERTY TAX LEVIES AND COLLECTION LAST TEN FISCAL YEARS

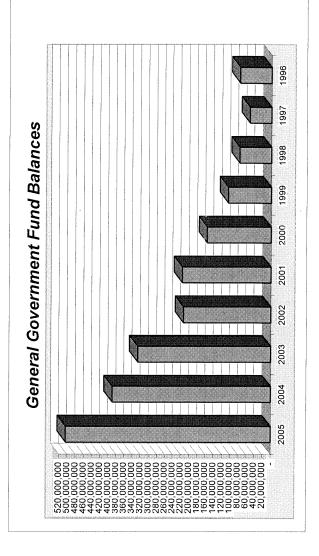
aman any mananananan and any mananananananananananananananananananan	2005	2004	2003	2002	2001	2000	1999	(1)	1997	1996
Total tax levy (1)	\$8,557,410	\$8,261,782	\$8,264,047	\$7,558,018	\$5,451,097	\$3,440,379	\$2,603,110	\$1,991,064	\$1,698,037	\$1,613,141
Current tax collections (1)	\$8,483,284	\$8,057,157	\$8,154,788	\$7,448,034	\$5,382,187	\$3,319,722	\$2,541,137	\$1,962,597	\$1,683,879	\$1,577,984
Percent of levy collected	99.13%	97.52%	98.68%	98,54%	98.74%	96.49%	97.62%	98.57%	99.17%	97.82%
Delinquent tax collections	\$ 111,112	\$ 107,853	\$ 120,500	\$ 114,328	\$ 71,462	\$ 60,110	\$ 38,258	\$ 39,984	\$ 37,942	\$ 171,576
Total tax collections	\$8,594,396	\$8,165,010	\$8,275,288	\$7,562,362	\$5,453,649	\$3,379,832	\$2,579,395	\$2,002,581	\$1,721,821	\$1,749,560
Percent of total tax collected to tax levy	100.43%	98.83%	100.14%	100.06%	100.05%	98.24%	%60'66	100.58%	101.40%	108.46%



(1) Exclusive of penalties and interest.

COUNTY OF LOUDOUN, VIRGINIA GENERAL GOVERNMENTAL FUND BALANCES (1) (2) LAST TEN FISCAL YEARS

FUND BALANCE	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Reserved for:										
Prepaid expenses	\$ 1,573,675	\$ 1,194,739	\$ 1,097,967	\$ 478,727	\$ 163,149	\$ 156,179	\$ 1,012,583	\$ 809,754	\$ 1,356,786	\$ 49,974
Encumbrances	100,003,999	113,901,825	92,296,181	79,312,327	104,765,702	61,510,139	75,130,756	36,721,968	23,563,072	37,355,520
Noncurrent notes and loans receivable	e 3,432,061	3,755,824	2,343,435	2,030,412	2,164,774	2,855,945	2,981,887	2,918,696	1.637.682	1,348.873
Unreserved										
Designated for:										
Appropriations	69,606,210	56,937,234	41,207,757	46,984,317	39,802,378	126,123,191	34,055,632	27,241,097	5,369,047	6,661,194
Fiscal cash liquidity	91,251,881	79,225,276	58,771,690	58,771,690	51,529,699	42,660,011	36,101,711	30,049,287	26,644,318	23,530,777
Future debt service	34,582,839	39,726,577	32,889,558	12,873,323	17,767,588	10,507,365	7,479,491	4,197,489	4,197,489	5,921,139
Future capital projects	1,032,343	575,366	575,366	781,141	323,455	323,455	323,455	859,728	859,728	2,917,050
Permanent Fund-Expendable	7,337	9,065	12,154	12,688	1	•		,		
Permanent Fund-Nonexpendable	35,721	35,721	35,721	35,721		,	1	•	1	
Cafeteria sales	•	144,976	367,555	282,109	577,587	437,561	731,059	890,196	827,908	839,404
Undesignated	202,036,904	94,301,118	96,890,519	11,900,773	(653,520)	(88,694,540)	(52,528,449)	(26,845,938)	(12,643,299)	(2,494,805)
	\$503,562,970	\$389,807,721	\$326,487,903	\$213,463,228	\$216,440,812	\$155,879,306	\$105,288,125	\$ 76.842.277	\$ 51.812.731	\$ 76 129 126
									10 1/2:0/:0	031,021,07

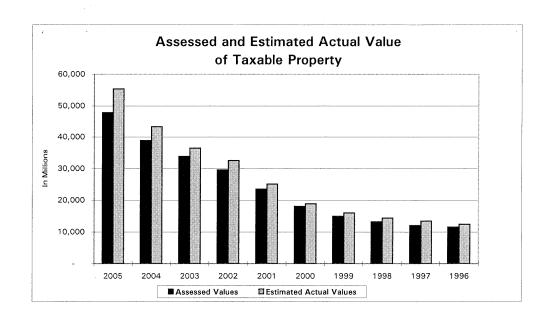


Includes Governmental Funds only. (2)

Includes Primary Government and Component Unit.

COUNTY OF LOUDOUN, VIRGINIA ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

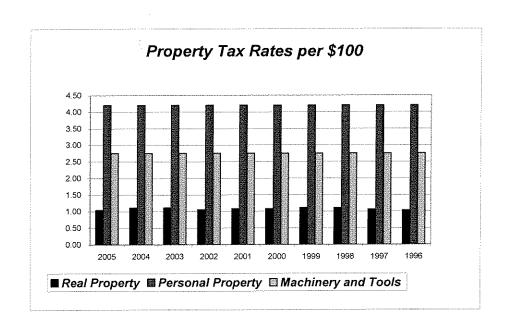
	REAL PR	ROPERTY	PERSONAL		то	TAL	RATIO OF TOTAL
FISCAL YEAR	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	ASSESSED VALUE	ESITMATED ACTUAL VALUE	ASSESSED TO TOTAL ESTIMATED VALUE
2005	\$44,572,380,290	\$52,438,094,500	\$3,112,475,493	\$2,879,726,248	\$47,684,855,783	\$55,317,820,748	86.2%
2004	35,767,028,850	40,460,439,900	3,106,660,100	2,800,113,990	38,873,688,950	43,260,553,890	89.9%
2003	30,864,734,680	33,731,949,000	2,985,668,507	2,707,282,512	33,850,403,187	36,439,231,512	92.9%
2002	26,799,268,200	30,044,022,700	2,746,232,319	2,523,199,286	29,545,500,519	32,567,221,986	90.7%
2001	21,128,020,500	23,015,272,000	2,381,723,570	2,091,424,554	23,509,744,070	25,106,696,554	93.6%
2000	16,160,744,400	17,066,744,400	1,921,567,637	1,839,574,139	18,082,312,037	18,906,318,539	95.6%
1999	13,337,307,000	14,557,339,100	1,590,787,060	1,449,124,512	14,928,094,060	16,006,463,612	93.3%
1998	11,771,573,700	12,962,573,700	1,453,956,874	1,409,756,982	13,225,530,574	14,372,330,682	92.0%
1997	10,677,620,500	11,893,096,100	1,362,039,834	1,516,748,145	12,039,660,334	13,409,844,245	89.8%
1996	10,300,853,000	11,127,412,600	1,260,370,103	1,260,370,103	11,561,223,103	12,387,782,703	93.3%



^{(1) 2003} Estimated Actual Value of Personal Property includes exonerations to June 30, 2003.

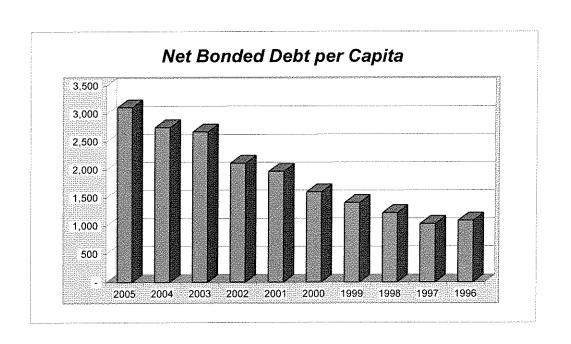
COUNTY OF LOUDOUN, VIRGINIA PROPERTY TAX RATES (PER \$100 OF ASSESSED VALUE)

				PUBLIC I	UTILITIES
CALENDAR	REAL	PERSONAL	MACHINERY	REAL	PERSONAL
YEAR	ESTATE	PROPERTY	AND TOOLS	ESTATE	PROPERTY
2005	\$ 1.04	\$ 4.20	\$ 2.75	\$ 1.04	\$ 4.20
2004	1.1075	4.20	2.75	1.1075	4.20
2003	1.11	4.20	2.75	1.11	4.20
2002	1.05	4.20	2.75	1.05	4.20
2001	1.08	4.20	2.75	1.08	4.20
2000	1.08	4.20	2.75	1.08	4.20
1999	1.11	4.20	2.75	1.11	4.20
1998	1.11	4.20	2.75	1.11	4.20
1997	1.06	4.20	2.75	1.06	4.20
1996	1.03	4.20	2.75	1.03	4.20



COUNTY OF LOUDOUN, VIRGINIA RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA LAST TEN FISCAL YEARS

FISCAL YEAR	(1)	TOTAL ASSESSED VALUE	(2) GROSS BONDED DEBT	DEBT PAYABLE FROM ENTERPRISE REVENUE	NET BONDED DEBT	(3) RATIO OF NET BONDED DEBT TO ASSESSED VALUE	NET BONDED DEBT PER CAPITA
2005	247,293	\$47,684,855,783	\$770,582,021	\$ -	\$770,582,021	1.62%	\$ 3,116
2004	229,429	38,873,688,950	632,757,090	-	632,757,090	1.63%	2,758
2003	211,146	33,850,403,187	565,810,286	-	565,810,286	1.67%	2,680
2002	196,430	29,545,500,519	416,306,645	•	416,306,645	1.41%	2,119
2001	189,400	23,509,744,070	373,561,205	-	373,561,205	1.59%	1,972
2000	172,173	18,082,312,037	276,362,000	-	276,362,000	1.53%	1,605
1999	154,549	14,928,094,060	218,520,000	-	218,520,000	1.46%	1,414
1998	136,485	13,225,530,574	168,146,500	-	168,146,500	1.27%	1,232
1997	127,410	12,039,660,334	132,322,000	-	132,322,000	1.10%	1,039
1996	119,550	11,561,223,103	130,842,500	-	130,842,500	1.13%	1,094



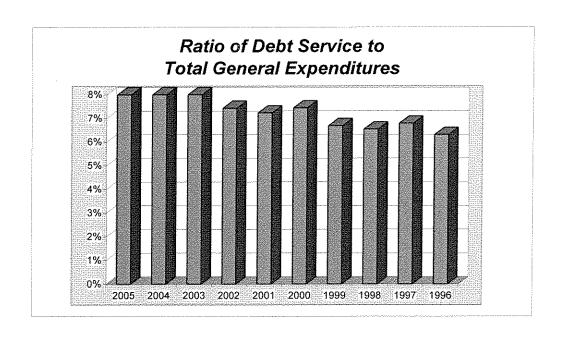
⁽¹⁾ Department of Economic Development, Loudoun County.

⁽²⁾ Includes general obligation bonded debt and State Literary Fund loans.

⁽³⁾ The Code of Virginia establishes the legal debt margin for counties as 10% of the assessed valuation on real estate as shown by the last preceding assessment for taxes.

COUNTY OF LOUDOUN, VIRGINIA RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES LAST TEN FISCAL YEARS

FISCAL YEAR	PRINCIPAL	INTEREST AND OTHER SERVICE CHARGES	TOTAL DEBT SERVICE	TOTAL GENERAL EXPENDITURES	RATIO OF DEBT SERVICE TO TOTAL GENERAL EXPENDITURES
2005	\$57,269,714	\$ 31,024,278	\$88,293,992	\$ 999,959,054	8.83%
2004	49,153,459	29,158,998	78,312,457	890,807,959	8.79%
2003	44,645,082	25,347,738	69,992,820	769,720,577	9.09%
2002	32,586,209	21,151,877	53,738,086	723,635,354	7.43%
2001	24,861,389	17,014,845	41,876,234	579,532,225	7.23%
2000	18,378,363	15,022,255	33,400,618	449,186,335	7.44%
1999	14,552,364	12,650,836	27,203,200	407,051,691	6.68%
1998	11,582,548	10,647,899	22,230,447	340,007,266	6.54%
1997	10,914,904	9,755,732	20,670,636	304,464,088	6.79%
1996	8,483,584	9,428,584	17,912,168	283,887,675	6.31%



COUNTY OF LOUDOUN, VIRGINIA DIRECT AND OVERLAPPING AND UNDERLYING DEBT JUNE 30, 2005

	NET DEBT OUTSTANDING	APPLICABLE TO COUNTY		 DOUN COUNTY HARE OF DEBT
Direct:	\$ 770,582,021	100%		\$ 770,582,021
Loudoun County (1)	\$ 770,562,021	10070		
Overlapping: (2)				
Commonwealth of Virginia (3)	206,971,568	53%	(4)	109,694,931
Peumansend Creek Regional Jail Authority	6,375,000	16%	(5)	1,020,000
Northern Virginia Criminal Justice Academy	2,895,000	33%	(6)	955,350
Loudoun County Sanitation Authority:				
Village of Aldie	315,980	100%		315,980
Dulles Town Center Community Development Authority	36,735,000	100%		36,735,000
Virginia Revolving Loan Fund:				
Hamilton Wastewater System	1,873,383	100%		1,873,383
Underlying: (2)				
Town of Leesburg	81,302,260	100%	(7)	81,302,260
Town of Purcellville	11,091,637	100%	(8)	11,091,637
Town of Round Hill	5,697,740	100%	(9)	5,697,740
Town of Hamilton	3,852,721	100%	(10)	3,852,721
Town of Middleburg	1,476,593	100%	(11)	1,476,593
Total overlapping and underlying debt				 254,015,595
Total direct and overlapping and underlying debt				\$ 1,024,597,616

⁽¹⁾ Includes all general obligation bonds of Loudoun County.

⁽²⁾ Overlapping and underlying general obligation bonds are obligations for the respective governmental units and are not obligation of Loudoun County.

⁽³⁾ Virginia Department of Transportation.

⁽⁴⁾ Percentage applicable to the County of 53% is an estimate based on the projected development of Route 28 to the year 2018.

⁽⁵⁾ Percentage applicable to the number of inmates for each of the member jurisdictions.

⁽⁶⁾ Percentage applicable to each of the three principal member jurisdictions.

⁽⁷⁾ Source: Town of Leesburg

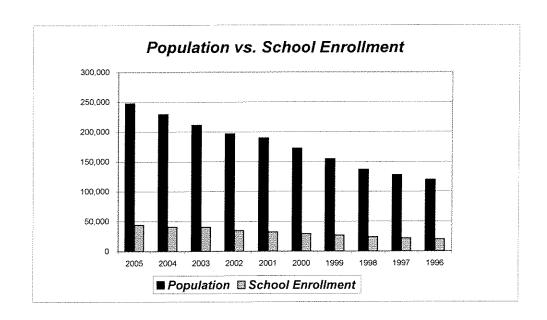
⁽⁸⁾ Source: Town of Purcellville (9) Source: Town of Round Hill

⁽¹⁰⁾ Source: Town of Hamilton

⁽¹¹⁾ Source: Town of Middleburg

COUNTY OF LOUDOUN, VIRGINIA DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

FISCAL YEAR	(1) POPULATON	(1) CAPITA ICOME	(2) SCHOOL ENROLLMENT	(3) UNEMPLOYMENT RATE
2005	247,293	\$ 38,560	44,014	2.3%
2004	229,429	\$ 44,687	40,751	2.1%
2003	211,146	\$ 40,233	40,250	2.7%
2002	196,430	\$ 39,791	34,500	2.9%
2001	189,400	\$ 38,602	32,016	2.5%
2000	172,173	\$ 37,500	29,254	0.9%
1999	154,549	\$ 34,495	26,582	1.2%
1998	136,485	\$ 32,590	23,782	2.2%
1997	127,410	\$ 31,485	21,733	2.0%
1996	119,550	\$ 28,934	19,967	2.5%



⁽¹⁾ Department of Economic Development, Loudoun County.

⁽²⁾ March 31 enrollment amount from the Department of Economic Development, Loudoun County, based on Fiscal Impact Analysis
Technical Review Committee.

⁽³⁾ Virginia Employment Commission.

COUNTY OF LOUDOUN, VIRGINIA PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS LAST TEN FISCAL YEARS

FISCAL	(1) COMMERCIAL	(1) RESIDENTIAL		1) T Y VALUE		(2) BANK
YEAR	CONSTRUCTION	CONSTRUCTION	COMMERCIAL	RESIDENTIAL	NONTAXABLE	DEPOSITS
2005	\$ 75,000,000	\$ 1,750,000,000	\$ 6,750,873,200	\$37,821,507,090	\$3,182,994,900	\$2,109,888,288
2004	70,000,000	1,704,850,000	5,911,410,700	29,855,618,150	2,721,708,900	1,798,764,394
2003	70,000,000	1,243,000,000	5,719,684,600	25,145,050,080	2,322,382,600	1,605,639,936
2002	290,000,000	1,195,000,000	5,410,528,600	21,388,739,600	2,072,354,300	1,400,377,233
2001	250,000,000	923,000,000	4,611,938,500	16,516,082,000	1,795,059,700	1,286,934,189
2000	260,000,000	708,000,000	4,085,607,200	12,075,137,200	1,691,471,300	1,148,988,538
1999	290,000,000	571,000,000	2,955,807,600	10,381,499,400	1,580,184,800	996,731,117
1998	103,065,000	457,000,000	2,379,126,100	9,392,447,600	1,404,547,900	915,766,903
1997	70,000,000	377,000,000	2,178,186,300	8,499,434,200	1,405,763,500	882,561,695
1996	75,000,000	355,000,000	2,101,537,300	8,199,315,700	1,273,346,400	793,410,474

⁽¹⁾ Department of Management and Financial Services, Loudoun County.

⁽²⁾ Commissioner of Revenue, Loudoun County.

COUNTY OF LOUDOUN, VIRGINIA TWENTY-FIVE LARGEST REAL ESTATE ASSESSMENTS JUNE 30, 2005

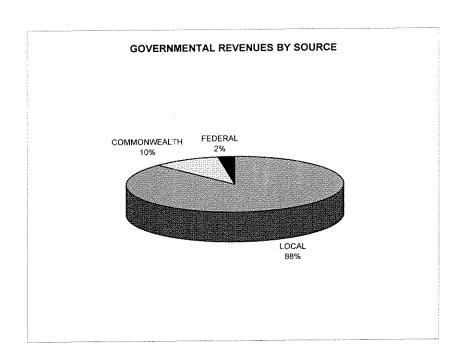
	(1)	
	2005 ASSESSED	PERCENT OF
	VALUATION OF	TOTAL NET
NAME OF BUSINESS	REAL PROPERTY	TAX BASE
America Online, Inc	\$ 291,914,000	0.65%
UUNET Technologies Inc	274,000,000	0.61%
Dulles Town Center Mall LLC	166,130,700	0.37%
Virginia Electric and Power Company	162,921,300	0.37%
MCI Worldcom Network Services Inc	160,570,100	0.36%
Toll Road Investors Partnership II LP	137,952,000	0.31%
Belmont Land LP	134,577,300	0.30%
Smith Verlin W et al Trustees	134,024,600	0.30%
Verizon Virginia Inc	101,076,800	0.23%
PLC Dulles LP	90,751,000	0.20%
Pulte Home Corporation	83,033,500	0.19%
Chelsea GCA Realty Partnership LP	82,082,700	0.18%
Loudoun Valley Associates LF	78,491,300	0.18%
Lansdowne Community Development LLC	73,434,400	0.16%
ASN Stoneridge LLC	71,674,800	0.16%
Summit Properties Parnership LP	71,580,500	0.16%
Winkler-Southern Towers LP	68,236,000	0.15%
Toll Land IV LP	67,052,800	0.15%
Qwest Communications Corp of Virginia	65,052,800	0.15%
Nortwestern Mutual Life Insurance Company	64,292,200	0.14%
Potomac Run LLC	59,030,800	0.13%
Summerfield Condominiums LP	58,959,200	0.13%
Two Greens/Kirpatrick LLC	58,703,800	0.13%
Stone Ridge Community Development LLC	58,287,900	0.13%
Washington Gas and Light Company	53,757,800	0.12%
Totals	\$ 2,667,588,300	5.98%

COUNTY OF LOUDOUN, VIRGINIA SURETY BONDS JUNE 30, 2005

NAME	TITLE	SURETY	 AMOUNT
Gary Clemens	Circuit Court Clerk	Fidelity and Deposit Company of Maryland	\$ 500,000
H. Roger Zurn Jr.	Treasurer	Fidelity and Deposit Company of Maryland	1,000,000
Robert S. Wertz, Jr.	Commissioner of Revenue	Fidelity and Deposit Company of Maryland	500,000
Steve Simpson	Sheriff	Fidelity and Deposit Company of Maryland	500,000
Dr. Edgar Hatrick	Superintendent of Schools	Fidelity and Deposit Company of Maryland	500,000
All School System Employees		Virginia Municipal Liability Pool	500,000
All County Employees		Virginia Association of Counties (VACo)	1,000,000

COUNTY OF LOUDOUN, VIRGINIA ACTUAL REVENUES JUNE 30, 2005

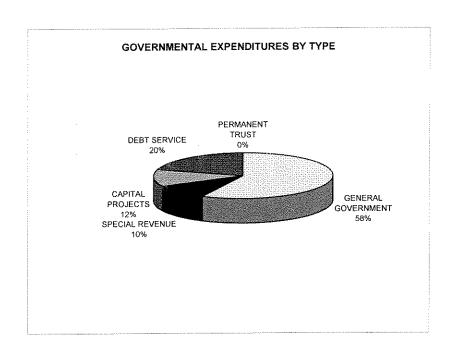
ТҮРЕ	AMOUNT	PERCENT
LOCAL	\$ 692,689,335	88%
COMMONWEALTH	79,212,893	10%
FEDERAL	19,548,835	2%
	\$ 791,451,063	= 100%



Includes Primary Government's Governmental Funds only. Does not include transfers.

COUNTY OF LOUDOUN, VIRGINIA ACTUAL EXPENDITURES JUNE 30, 2005

TYPE	AMOUNT	PERCENT
	•	
GENERAL GOVERNMENT	\$ 234,588,604	57.4%
SPECIAL REVENUE	42,083,759	10.3%
CAPITAL PROJECTS	49,314,074	12.1%
DEBT SERVICE	82,585,391	20.0%
PERMANENT TRUST	2,100	0.0%
	\$ 408,573,928	100%



Includes Primary Government's Governmental Funds only. Does not include transfers.